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REPORT OF THE EXECUTIVE BOARD OF THE UNITED NATIONS CHILDREN'S FUND ON THE WORK OF ITS FIRST REGULAR SESSION OF 1998

(26-28 and 30 January)*

* The present document is a mimeographed version of the report of the Executive Board of the United Nations Children's Fund on its first regular session (26-28 and 30 January 1998). The report on the annual session (1-5 June 1998) will be issued as part II. These reports will be combined with the report on the second regular session (8-11 September 1998) and issued in final form as Official Records of the Economic and Social Council, 1998, Supplement No. 15 (E/1998/35/Rev.1-E/ICEF/1998/6/Rev.1).

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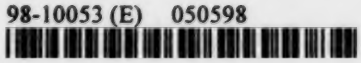

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I. ORGANIZATION OF THE SESSION

A. Election of officers for 1998

1. The officers of the Executive Board for the year 1998 were elected as follows:

President:
H.E. Mr. Michael John Powles (New Zealand)

Vice-Presidents:
Mr. Sam Otuyelu (Nigeria)
H.E. Ms. Akmaral Kh. Arystanbekova (Kazakhstan)
Mr. Fikret Mamedali Pashayev (Azerbaijan)
H.E. Dr. John William Ashe (Antigua and Barbuda)

B. Opening statements by the President and the Executive Director

2. The President expressed his appreciation for the opportunity to contribute to the work of UNICEF. In addressing the organization's involvement in the reform process, he noted the importance of its internal management excellence process and the efforts being made to bring in new technologies. He was confident that together the secretariat and the Executive Board would be able to find solutions to the problems affecting the welfare of children.

3. In welcoming participants to the first Board session of 1998, the Executive Director extended special greetings to the new Board members: Antigua and Barbuda; Bangladesh; the Comoros; the Congo; Finland; France; Greece; Kazakhstan; the Libyan Arab Jamahiriya; South Africa; the Sudan; Sweden; the United Kingdom; and Yemen.

4. The Executive Director's remarks focused on the "era of far-reaching transformation" into which UNICEF was now embarking. Through the United Nations reform process and the organization's own Management Excellence Programme, UNICEF had begun to coordinate its work more effectively with other parts of the United Nations system, and she cited several examples.

5. She said that UNICEF was aiming to be fully equipped and empowered to bring about the total realization of child rights for every child. To accomplish that, however, the organization needed to develop a strategic vision for the future that would not only help it to "chart a course into the twenty-first century", but would assist in "completing the still unfinished business of the twentieth". To that end, she announced the appointment of a special "futures" group charged with articulating key UNICEF principles, strategies and goals and laying the groundwork for a new agenda for children beyond the year 2000. In calling attention to the gains achieved in this fiftieth anniversary year of the Universal Declaration of Human Rights, she said that it was an occasion to reflect on the numerous human rights outrages against children and women.

6. In closing, she addressed the challenge of declining development assistance and extended special thanks to the Governments that had either increased or maintained their general resources contributions to UNICEF during the financial challenge that confronted UNICEF during 1996. She was confident that whatever the obstacles, UNICEF would continue to make a difference for children. (See E/ICEF/1998/CRP.2 for the full text of her statement.)

C. Adoption of the agenda

7. The agenda of the session, as contained in document E/ICEF/1998/2, was adopted. The agenda contained the following items:

Item 1: Opening of the session

(a) Election of the officers of the Executive Board for 1998

(b) Opening statements by the President of the Executive Board and the Executive Director

Item 2: Adoption of the provisional agenda and timetable and organization of work

Item 3: Report of the Executive Director (Part I): Annual report to the Economic and Social Council

Item 4: Joint meeting of the Executive Boards of UNICEF and the United Nations Development Programme/United Nations Population Fund (UNDP/UNFPA)

Item 5: Biennial support budget for 1998-1999, including the report of the Advisory Committee on Administrative and Budgetary Questions

Item 6: Greeting Card and related Operations (GCO) work plan and proposed budget for 1998

Item 7: Oral report on the resource mobilization strategy

Item 8: Country notes

Item 9: Mid-term reviews (MTRs) and major evaluations of country programmes

Item 10: Oral report on implementation of the recommendations of the Board of Auditors

Item 11: 1998 UNICEF Maurice Pate Award

Item 12: Other matters

Item 13: Closing of the session: remarks by the Executive Director and the President of the Executive Board

8. In accordance with rule 50.2 and the annex of the Rules of Procedure, the Secretary of the Executive Board announced that 81 observer delegations had submitted credentials for the session.

9. In addition, 2 United Nations bodies, 2 specialized agencies, 14 non-governmental organizations (NGOs), 2 National Committees for UNICEF and Palestine had submitted credentials.

II. DELIBERATIONS OF THE EXECUTIVE BOARD

A. Report of the Executive Director (Part I): Annual report to the Economic and Social Council

10. The Executive Board had before it a report prepared by the secretariat, document E/ICEF/1998/4 (Part I), which was introduced by the Executive Director and the Director, Office of United Nations Affairs and External Relations. The Executive Director said that the purpose of the United Nations Development Assistance Framework (UNDAF) was to meet the needs of countries. UNDAF had already gone beyond its initial concept to include the specialized agencies, and the United Nations Development Group (UNDG) was looking at such issues as common premises and the resident coordinator system. The latter was increasingly a product of the United Nations system, with four resident coordinators drawn from UNICEF, an increase of three, and UNICEF was committed to strengthening the system. Given the level of interest in reform issues, she offered to arrange an informal meeting on the subject during the session.

11. The Director, United Nations Affairs and External Relations, responded to a number of issues related to UNDAF that had been raised by delegations at the pre-session information briefing on 16 January. He said that UNDAF would cover all areas of responsibility of the funds and programmes and that the specialized agencies and the World Bank were entering the process. The UNDAFs would highlight the strategies of each agency and clarify their strengths and individual mandates. The first pilot phase, involving 11 countries, would be completed in March 1998 and would feed into both the substantive session of the Economic and Social Council and the Council's special session in May on follow-up to the international conferences. As for country strategy notes (CSNs), they were in place in 30 countries, and under the guidance of the Administrative Committee on Coordination, new guidelines were being prepared. Country teams had been asked to undertake a critical review of the CSN process and to assess the need for a reorientation of the CSNs.

12. A number of delegations said that the report reflected both the commitment of UNICEF to, and its enthusiasm for, United Nations reform. Several speakers, however, said that report should have been more analytical and issue-oriented, and it was suggested that a format be developed through which the funds and programmes could seek common guidance from the Economic and Social Council. Because this would have to be done by the Executive Boards of the funds and programmes, it might be an issue to be addressed by UNDG. It was also said that future reports should provide clearer guidance to the Council, and that consideration should be given to submitting a joint report on coordination to a future joint session of the UNICEF and UNDP/UNFPA Executive Boards.

13. Delegations commented on the fact that the report did not cover coordination in humanitarian assistance, and one speaker specifically requested information on preventive measures. The secretariat replied that humanitarian assistance would be addressed in the Executive Director's annual report to the Board, to be presented at the annual session in June. UNICEF was a member of the Executive Committee on Humanitarian Affairs (ECHA) and had been involved in the restructuring of the Office of the Emergency Relief Coordinator. A delegation asked how UNICEF would be implementing the Secretary-General's "Agenda for Development" and said that the report should have touched on progress to date, as well as on any impediments to progress that the Economic and Social Council could address.

14. A number of delegations commented on the UNDAF process in general and on the role of UNICEF in particular. Some speakers stressed the importance of maintaining the unique role and mandate of UNICEF within that process, and it was stressed that children should be a cross-cutting issue, together with gender and human rights. It was said that bilateral cooperation should be closely monitored and integrated with Governments' development programmes and that UNICEF had an important role to play in this regard. Another speaker said that reforms should be introduced gradually, after the role of the Government in the UNDAF process had been clarified. The secretariat said that there was no question about Governments' ownership of and leadership in the process. The role of the funds and programmes was to support Governments in implementing programmes and the outcome of international conferences.

15. Other speakers welcomed the close cooperation of UNICEF with the UNDAF exercise in the 11 pilot countries, with one of them expressing the hope that this would affect

other countries in terms of close cooperation and integration at field level. A speaker requested that the Executive Board be kept informed of any problems encountered in the pilot countries. Another speaker said that UNDAF was progressing at different rates in different countries and that it would be interesting to know why. A delegation asked about the UNICEF strategy to input its positions into the reform measures.

16. In response to several comments about the inclusion of the specialized agencies in the UNDAF process, the secretariat said that country offices and resident coordinators in the pilot countries had been instructed to bring in the widest range of partners, including specialized agencies, bilateral agencies, donors and NGOs. UNDG had written to the specialized agencies about UNDAF, and both the specialized agencies and the Bretton Woods institutions were involved in the inter-agency mechanism. Asked about the relationship of UNICEF with the World Bank, the secretariat said that cooperation with the Bank, which had been detailed in the Executive Director's report in 1997 (E/ICEF/1997/10 (Part I)), was continuing at an accelerated pace. UNDG and the World Bank had met late in 1997, and a meeting in January 1998 would address technical assessment and capacity-building. The first biannual meeting between UNICEF and the Bank would take place in February.

17. With regard to the relationship between CSNs and UNDAF, a speaker said that the decision of whether or not to prepare a CSN should be left in the hands of the programme countries. Another delegation said that CSNs should establish the parameters of United Nations operational activities for development and regretted that only a small number of countries were participating in the process. Hopefully the revised guidelines would increase the number of participating countries. However, another delegation said that the CSN could become irrelevant because of UNDAF. The secretariat said that the CSN had many benefits, including the provision of data and information needed by the United Nations. Ownership by Governments was critical to the success of the process.

18. Regarding follow-up to the international conferences, delegations asked about the role of UNICEF as the lead agency for the 20/20 Initiative and suggested that UNICEF provide input to the special session of the Economic and Social Council. Comments were also made about UNICEF follow-up to the 1996 World Food Summit and its involvement in the upcoming meeting on water being organized by the Commission on Sustainable Development. The secretariat said that UNICEF was taking part in the preparations for the "International Conference on Population and Development (ICPD) + 5", which would include a round-table on 1 April on adolescent reproductive health.

19. Several delegations said that more resident coordinators should be chosen from UNICEF and from other funds and programmes. It was suggested that financing of the resident coordinator system be shared among the participating agencies. In addition, a speaker said that joint efforts by agencies, under the guidance of the resident coordinator, would make the best possible use of resources, and stressed the importance of national execution, cooperation with the Government, clear-cut planning and distribution of financial resources. The speaker also suggested that her region, Central and Eastern Europe, the Commonwealth of Independent States and the Baltic States, be renamed "the countries of Eastern Europe and Asia".

20. Responding to questions about common premises, the secretariat stated that the process was moving quickly. One delegation stressed the importance of cost-effectiveness when making decisions on common premises and said that their establishment should affect programme implementation.

21. Delegations expressed concern about comments made by the Executive Director in her opening statement regarding difficulties in achieving the goals of the World Summit for Children. A delegation asked about the inclusion of the World Summit goals in the UNDAF process. Another delegation said that countries that would soon graduate from receiving UNICEF general resources would require special attention so that they would not see their progress for children reversed. The same speaker expressed support for efforts to rectify UNICEF maternal mortality statistics, especially in countries with good record-keeping and databases. The Executive Director said that reform was not an end in itself and that the quality of country programming must be paramount. In this context, UNICEF was continuing to work with all its partners on achieving the World Summit goals. UNDAF offered the possibility of getting partner agencies more involved in these efforts.

22. A delegation looked forward to the results of the upcoming first meeting of the World Health Organization (WHO)/UNICEF/UNFPA Coordinating Committee on Health because of the substantial field-level cooperation between the three agencies. A speaker asked about the possibility of receiving regular reports from the Joint and Co-sponsored United Nations Programme on HIV/AIDS (UNAIDS) and said that the relationship between UNICEF and UNAIDS needed to be developed. (See the annex, decision 1998/1, for the text of the decision adopted by the Executive Board.)

B. Joint meeting of the Executive Boards of UNICEF and the United Nations Development Programme/United Nations Population Fund

23. The President of the UNDP/UNFPA Executive Board opened the first joint meeting of the UNDP/UNFPA and UNICEF Executive Boards. He noted that the idea of

convening a joint meeting had been discussed for some two years, and was finally coming to fruition. In late 1997, the bureaux of the two Boards had agreed to hold a joint half-day meeting on the topic of reform in United Nations funds and programmes with a focus on the impact at the country level. The Viet Nam country team was invited to share their experience as a pilot country for UNDAF. The presentation would serve as a preliminary indication of the impact of reform at the country level. The respective Boards would continue to monitor the progress of reform in the future.

24. The Resident Coordinator in Viet Nam introduced the UNFPA Country Representative and the UNICEF Representative. He then gave a brief overview of the context in which the United Nations system was working in Viet Nam, concluding that while the UNDAF process was taking place in favourable circumstances, there were lessons to be learned for other countries. Eleven United Nations agencies were represented in Viet Nam.

25. A short film on the United Nations cooperation in Viet Nam was shown.

26. The Resident Coordinator stated that UNDAF was seen as a valuable tool to build consensus among the United Nations system and identify concrete joint activities. The formulation exercise had begun with a two-day retreat of the United Nations country team (with participation of the World Bank) in October 1997. Consensus was reached on the four focus areas for future United Nations system activities in Viet Nam. Besides the wishes expressed at the retreat to produce a good document, it was realized that the UNDAF formulation exercise was also a good team-building process. A mission statement for the United Nations system in Viet Nam was formulated, stating that the overall mission was to help Viet Nam in its fight against poverty through building capacities to design and carry out programmes that enlarged choices and opportunities for disadvantaged communities, families and individuals. A working group had been charged with facilitating the formulation process, supported by groups for each of the four focus areas.

27. The UNFPA Country Representative informed the Executive Boards of the major milestones in the process to develop UNDAF in Viet Nam. He noted that a total of 144 indicators had been identified in the provisional list, out of which 30-40 were selected as priorities. Issues papers were produced on follow-up to world conferences and integrated in UNDAF through the identification of common priorities. The first draft of UNDAF, scheduled to be ready in February 1998, would be subject to further discussions and then revised by the target date of April 1998. The process would take at least 26 weeks, longer than the 13 weeks indicated in the provisional guidelines. Several rounds of consultations were needed and there was a need for strong leadership to guide the process. Agencies with limited staff and resources had felt stretched by the process.

28. The UNICEF Representative spoke on current collaborative efforts of the United Nations system in Viet Nam. They included UNAIDS, a poverty eradication project in Ha Giang, a community development programme in Ky Son, the Basic Life Skills Education programme, and the Safe Motherhood Initiative. Tasks that lay ahead for the future included the identification of common priorities, delineating responsibilities among United Nations agencies, reinforcing the United Nations team spirit among staff, increasing programme coordination, strengthening advocacy, and collaborative resource mobilization.

29. The Resident Coordinator concluded the presentation with an overview of the lessons learned: in terms of operational aspects, the preparatory time was substantially longer than the 13 weeks indicated in the provisional guidelines; the use and timing of the use of facilitators should be decided upon by the country team at the very beginning of the process; consultancy services should be used selectively; the guidelines should be applied flexibly; additional human resources were required during the actual formulation phase; and reforms at programming level should be followed by operational reforms. He thanked the Government of Denmark for seconding a person to the Resident Coordinator's office to work with, among other things, the UNDAF formulation exercise. With regard to lessons learned in policy perspectives, he noted that partnership with the host Government was essential; that UNDAF must be seen in the proper perspective; that the issues of United Nations reform were not new; and that there was a delicate balance between the aim of increased cooperation while maintaining individual agency profiles. It was also noted that UNDAF might eventually replace some existing programming documents currently used, and that reform at the country level should be adequately accompanied by reform at the headquarters level.

30. The delegation of Viet Nam thanked the country team for sharing its experiences and reaffirmed that Viet Nam attaches great importance to the operational activities for development of the United Nations development system. The speaker underlined that the lessons learned in the Viet Nam experience would be useful to other countries. He also emphasized the need for UNDG to ensure the distinctive identities of organizations. While supporting the objectives of UNDAF, he noted that UNDAF must be aimed at increasing the quality, efficiency of assistance to the developing countries and that in the process of drafting and finalizing UNDAF documents, the Governments of the host countries should be fully consulted, their views fully taken into account and their development priorities fully respected.

31. Many delegations welcomed the joint meeting and expressed their gratitude for the presentations by the country team. The work at the country level was seen as another step forward in creating more effective and more efficient United Nations operations. Support for the Secretary-General's reform package was expressed. Speakers commented positively on the

inclusion of the follow-up to global conferences in UNDAF. Many delegations urged that the lessons learned be incorporated in future UNDAF exercises. Several speakers supported the replacement of existing programming instruments with UNDAF. The broad participation of the United Nations system in the exercise was welcomed. The need for the Bretton Woods institutions to participate in the UNDAF process was emphasized. Some speakers referred to the issue of including bilateral donors or the private sector at a later stage. Another speaker emphasized the need for the United Nations House to be established wherever possible. More ideas would be put forward during the triennial policy review of operational activities.

32. Some speakers expressed concern about the length of the UNDAF process and the extra time and resources required and asked whether any steps had been taken by the United Nations to accelerate the process in other countries. One speaker noted that the secondment of government personnel to work on UNDAF matters should not lead to a situation similar to that in the United Nations peace-keeping operations, where government personnel had been assigned to core functions on non-reimbursable loans. He also requested information on whether joint resource mobilization would result in an increase to core resources. Queries were raised regarding how UNDAF would accelerate capacity-building in Viet Nam, how the United Nations country team planned to harmonize or unify programmes under UNDAF, and on which agencies were involved in the exercise in the 19 pilot countries. Information was requested on how UNDAF would facilitate joint efforts in the programme approach in dealing with problems, whether there was parallel financing for joint action, on how progress and benefits would be measured, and what would happen to the parts of the programme that did not fit into UNDAF.

33. Several speakers favoured the convening of joint meetings of the two Boards on a regular basis in the future. One speaker requested the Bureau to develop proposals for future joint meetings linked to matters such as the common country assessment (CCA).

34. The Resident Coordinator stated that UNDAF benefited from the direct involvement of the Government. He noted that the guidelines were still provisional and that one issue to revisit might be how to associate Governments more closely with the exercise. If other programming instruments were superseded by UNDAF, then the Government would have to sign the document. He emphasized that representatives of specialized agencies in Viet Nam were very keen to participate in the exercise. Mobilization of international NGOs and bilateral donors to participate in the exercise was foreseen.

35. The Country Representative of UNFPA stated that he expected that the costs would be reduced as the process progressed. He added that the team strongly supported national execution and the sector approach, as well as working with the international financial institutions, the specialized agencies, and the major bilateral agencies.

36. The UNICEF Representative explained that agencies participating in the process were maintaining their profiles.

37. The Resident Coordinator underlined that the support of countries active in Viet Nam was needed, noting that 25 of the countries represented on the two Boards were present in the country. The capitals needed to support the programme approach in order to avoid duplication of efforts and to ensure coordination and quality participation.

38. Following the presentation by the Viet Nam team and comments by delegations, the Executive Heads of UNDP, UNICEF and UNFPA made statements. All three underlined the importance of this first joint session of the two Executive Boards and of the progress made to date with UNDAF as exemplified by the United Nations team in Viet Nam.

39. The UNDP Administrator, who also is the Chair of UNDG, said that UNDAF, which is at the heart of the Secretary-General's reforms, is marked by a shift from information-sharing between funds and programmes to generalized, goal-oriented collaboration at country level. Without national support, however, UNDAF would not work, and it had to build on and reflect national development priorities. Key to the process was the ability of the resident coordinator system to draw on the mandates of all agencies; staff in a country must be responsible not just for their own agencies' work, but for that of the United Nations system as a whole in that country. At headquarters, UNDG had established a global support system with trained facilitators and global support personnel.

40. All specialized agencies had been invited to participate in UNDAF, and a review to be undertaken in Mali and Viet Nam would compare UNDAF with the World Bank's country assessment exercise. He thanked a number of Governments for their financial support to UNDAF, including those of Denmark, Sweden, Switzerland and the United Kingdom.

41. Responding to questions about what current programming arrangements could possibly be replaced by UNDAF, he suggested the UNDP Advisory Note, which is used as a basis for programme formulation with Governments. Full incorporation of global conference action points would be a hallmark of a successful UNDAF.

42. The Administrator outlined the activities of the United Nations development team over the past year. For example, both UNDG and the Executive Committee had been established and met monthly. UNDG had provided guidance to resident coordinators on the follow-up to international conferences. Both UNICEF and UNFPA had seconded staff to the United Nations Development Group Office (UNDGO), and the World Food Programme was expected to do so

shortly. Finally, the Director of UNDGO and the inter-agency subgroup on common premises and services were responsible for accelerating progress in identifying 50 countries that could host a United Nations House.

43. He also described a number of steps that had been taken to strengthen the resident coordinator system, in consultation and collaboration with UNDG members. These included improved selection procedures; a new, competency-based assessment; and a separate performance evaluation of current resident coordinators, in which all UNDG members and specialized agencies were participating. General Assembly resolution 47/199 of 22 December 1992 had begun the process of going beyond UNDP for resident coordinators; in 1992, only one resident coordinator had come from outside UNDP, but 30 per cent of those recommended most recently were from other funds and programmes. He had instructed all resident coordinators to represent all United Nations agencies evenhandedly, to keep their roles as UNDP resident representative and resident coordinator separate, and to resolve any conflicts between the two in favour of the system as a whole. In addition, extra resources would be made available for implementing new procedures for the resident coordinators' annual reports.

44. The UNICEF Executive Director said that the joint session demonstrated that United Nations reform was real and that it was being mainstreamed. The presentation by the Viet Nam country team had shown the excellent quality of the staff working in all the funds and programmes in Viet Nam, and reflected honestly the strengths, potential and challenges of UNDAF. Field-level coordination had not begun with UNDAF, which was a work in progress, and there was always room for improvement. Resource implications - both human and financial - had to be considered. It was very early in the process, and while the UNDAF process had to move along, it was too soon for any evaluation. In developing UNDAF, it was important to ensure wide participation by the funds, programmes and agencies and by government partners.

45. Concerning coordination issues, she said that UNICEF was a member of both UNDG and ECHA. There had been a lot of progress in the last year. The challenges of coordination at headquarters were complex because of the different needs of the field-based agencies and the more centralized Secretariat departments. Two areas where this was evident were procurement and information technology. For example, the United Nations would most likely be best served through a common framework for procurement rather than a single service entity; this could result in significant savings in terms of efficiency. Many improvements in operations could be achieved with existing rules and regulations, not all of which needed to be changed.

46. The resident coordinator system was moving towards genuine, system-wide representation, and UNICEF would participate fully in the appraisal process, she said. One issue requiring further exploration was that of other agencies' representatives assuming the responsibilities of resident coordinator where it would remain a combined function.

47. In closing, she said that a thorough evaluation of UNDAF would be required to ensure that it provided "added value", although she was sure this would be the case.

48. The Deputy Executive Director (Policy and Administration), UNFPA, spoke on behalf of the UNFPA Executive Director, who was unable to attend the session. He expressed full support for the reform initiatives and said that while the UNDAF pilot phase was still ongoing, a number of points should be noted. Overall, the experience was relatively positive and there was government support. UNDAF was useful for team-building and for its participatory process, but the exercise was time-consuming and resource-intensive, which had implications for agencies with limited staff, including UNFPA. UNDAF would lead to stronger country programmes, and this would need to be reflected in internal staff performance appraisals. Finally, overall coordination processes had to be streamlined, so that each agency might have to examine its existing programme requirements and procedures.

49. For there to be successful implementation of UNDAF, there must be an understanding by the resident coordinator of his/her role, as well as the commitment of all participating organizations, a participatory approach and a response to countries' needs and priorities. It would mean maximizing the comparative advantage of the United Nations system, and respect for the mandate of each organization and for cross-cutting issues such as population and gender. There must be ownership of the process by the country team; involvement of the national authorities, including NGOs; and wide international participation, including United Nations agencies and international financial institutions. The process must also pay attention to issues of international coordination for follow-up to international conferences. In this regard, the UNDAF exercise should take into account the data and other materials, including guidelines, prepared by the ACT Task Force on Basic Social Services for all, chaired by the Executive Director, UNFPA.

50. UNFPA was an active member of UNDG and had seconded senior staff to UNDGO, he said. UNFPA supported the resident coordinators as representatives of the Secretary-General, and the resident coordinators must be strong and impartial advocates of all agencies.

51. A delegation, speaking on behalf of a group of countries, said that the establishment of UNDG was obviously intended to maintain and reinforce the distinctive identities of the participating agencies, while encouraging coordination and integration at headquarters and in the field. However, the

members of the group, as the main recipients of development cooperation, were primarily concerned with the quality, efficiency and volume of assistance rather than with institutional arrangements. Simplicity of programme delivery was important, but they did not see any merit in pursuing integration as an end in itself. As for UNDAF, it might be premature to assess its successes and failures. In drawing on the lessons of the pilot projects, it would be important to take into account the views of the recipient Governments. In discussing the reform proposals, the group of countries had earlier addressed the question of counterpart arrangement of UNDAF at country level and the mechanism for the presentation of credentials of the resident coordinator to the host Government. Therefore, the implementation of the reform should take into account the specific needs of each region and country. Finally, the Secretary-General had been requested to propose a new system of core resources, and any proposal in that regard should not increase or add any new burden to the developing countries, nor incur conditionality.

52. Delegations commented on the UNDAF process, with one suggesting that UNDAF was not an end in itself, but should be in line with the agencies' management improvement exercises and avoid duplication and overlap. Addressing the issue of costs, a speaker said that the purpose of the pilot phase was to identify best practices; with higher cost-efficiency as an objective, the initial investment might pay off.

53. Some speakers welcomed the work towards collaborative programmes and greater coordination, but questions were raised about the relationship between the different instruments of field-level coordination - the CSN, UNDAF and the strategic framework - and about the role UNDG could play in harmonizing these field-level mechanisms. A delegation said that UNDAF was already changing the programming process in the field and that the field should push headquarters in this regard. A speaker asked about the relationship between the Joint Consultative Group on Policy and the Consultative Committee on Programme and Operational Questions, and about the type of cooperation being undertaken with the World Bank. Another speaker cited such challenges as the difficulty of reconciling programme objectives; the lack of indicators for all priorities; different guidance from headquarters from each agency; and the weak interest of the Bretton Woods institutions. A delegation stressed the importance of including the specialized agencies and bilateral donors. Another delegation said that Viet Nam was an ideal case for UNDAF, but other countries were less ideal, and there was a need for flexibility in the field.

54. It was said that according to the provisional guidelines, only the United Nations country team would approve UNDAF, but the Government also should approve any assistance framework. It was asked if there would be a need for a special cooperation agreement with Governments, and what would be the terms of reference and responsibility of Governments in the UNDAF process. The guidelines' references to consultation with NGOs and donors required elaboration, and the wording on common services and the division of labour between agencies was open to interpretation, according to some. (It was asked to what extent UNDAF could be linked to the common services exercise, and if there should be contemplation of administrative integration at the headquarters level.)

55. A number of speakers addressed the role of the Executive Boards and/or the issue of future joint sessions. One speaker said that UNDAF required the exchange of information between the Executive Boards, including the possible harmonization of their programmes of work. He suggested that UNDAF and the pilot projects be discussed at a special inter-sessional meeting of the Executive Boards. Another delegation said that the choice of UNDAF for this session was logical, although other topics would also be appropriate. It was asked if from now on, there would be regular joint briefings on the state of UNDAF.

56. The representative of UNAIDS said that hers was unique among the "theme group" agencies because it was able to provide some catalytic resources and had learned a lot in the process. This had been the case in Viet Nam. There must be consistency between the positions of headquarters and the field, and there was a need for some shared resources to move the process from dialogue to programming.

57. In summing up, the resident coordinator in Viet Nam said that UNDAF should be country- and field-driven. It was too early for evaluations, and the country teams would advise when they were ready. His team was happy to work with other country teams and would do so once its first document had been produced. UNDAF would be open to Governments, donors, NGOs and civil society, or it would not exist. It must be actively open to bilateral agencies. The guidelines were not yet final, and teams would continue to communicate their views to headquarters. This must be an open process.

58. The President of the UNICEF Executive Board said that the session had provided much food for thought for both Executive Boards and for the Economic and Social Council.

C. Biennial support budget for 1998-1999

59. The Comptroller presented the UNICEF biennial support budget for 1998-1999, the first to be presented to the Executive Board in the harmonized format, as approved at the first regular session in January 1997 (E/ICEF/1997/12/Rev.1, decision 1997/5). The Board deliberations were based on the following documents:

(a) Biennial support budget for 1998-1999 (E/ICEF/1998/AB/L.1 and Corr.1);

(b) Report of the Advisory Committee on Administrative and Budgetary Questions (E/ICEF/1998/AB/L.2);

(c) Estimated distribution of programme and support budgets, 1998-1999 (E/ICEF/1998/AB/L.4).

60. UNICEF used the integrated budgeting approach, as approved by the Board in decision 1997/3. The process was open, participatory and transparent, and linked the country programme management plan to a decentralized programme and budget review. Document E/ICEF/1998/AB/L.4, which was not part of the harmonization exercise, was prepared to provide a summary by country of the distribution of posts and resources for the programme and support budgets.

61. The Comptroller provided an overview of key figures in the 1998-1999 support budget. The 1996 medium-term plan (MTP) projections of 1998-1999 general resources income had been adjusted downward by $82 million in 1997 due primarily to the strengthening of the United States dollar. In the proposed no growth support budget, UNICEF had achieved substantial savings in order to absorb new support budgets for 25 country offices, mandatory cost increases and investments to finalize three new information technology systems. As a result of these savings, the Comptroller demonstrated that $33 million would be redirected to programme activities. All member countries expressed support for the 1998-1999 support budget proposal.

62. During the pre-Board and intersessional meetings, several delegations had requested the secretariat to respond to the report of the Advisory Committee on the support budget for 1998-1999 (E/ICEF/1998/AB/L.2). The Deputy Executive Director, in her introduction to the 1998-1999 support budget, took the opportunity to respond to those requests. She thanked the Advisory Committee for its thorough report and valuable comments, and presented her analysis of the report, with several proposals for future improvements in reporting.

63. The comments on the budget format fell in two main categories: those which UNICEF could improve alone; and those which UNICEF would need to coordinate with UNDP and UNFPA. In order to maintain consistency, all comments would be reviewed and coordinated at the working level in the three secretariats. Future proposals for changes to the harmonized budget format would be submitted to the Board, through the Advisory Committee, in time to be included in the next biennium budget.

64. One major concern expressed by the Advisory Committee, and shared by UNICEF and Board members, was the projected income level of regular resources. The Deputy Executive Director referred to the resource mobilization oral report, scheduled to be presented report at the present session (see paras. 86-105 below). Facing a situation of declining resources, the Deputy Executive Director could assure that UNICEF would maintain its commitment to maximizing direct programme resources and the effective management of country offices. If resources should decline, support costs would be reduced. She offered to give a progress report on the share of the support budget to total resources at the first regular session of the Executive Board in 1999.

65. Board members and the Advisory Committee had suggested that the annual GCO budget be included in future biennial support budgets. The Deputy Executive Director explained that it was in the best interest of the commercial operations of GCO to maintain the annual cycle of budgets and work plans. She proposed to improve information on GCO in the support budget document by adding an annex to the next biennium budget submission.

66. Responding to an Advisory Committee request for a comprehensive "office automation" strategy, the Deputy Executive Director offered to submit, through the Advisory Committee, a progress report on the UNICEF strategy and investments in information technology. The proposed report would build on the tradition of previous communications with the Board during regular Board sessions and intersessional meetings.

67. All delegations addressing this agenda item welcomed the efforts made during the harmonization process and the intersessional meetings in achieving a decentralized and transparent budgeting process. However, many of them expressed the view that the new common format for UNICEF, UNDP and UNFPA support budgets was still difficult to understand. Some delegations requested that future budget documents include more analysis of income projections and other key budget components.

68. The proposed support budget was considered balanced by some delegations, while others had anticipated a decrease in some administrative elements after streamlining of operations. Some speakers questioned the increase from 24.4 to 26.1 per cent of the support budget to total resources. The Comptroller explained the importance of having achieved a no growth support budget. The income estimates were set conservatively by the secretariat, thus contributing to the proposed increase in percentage.

69. Continuing the discussion of support budget percentages, some delegations referred to document E/ICEF/1998/AB/L.4. They welcomed the information provided and questioned why the support budget in some countries seemed to be very high compared to the programme budget. One delegation requested the secretariat to analyse this situation and to consider applying lessons learned from a multi-country approach. The Comptroller explained the underlying principles of the document. First, general resources for programme activities were allocated to countries by a

common formula, as approved by the Board. Supplementary funds were made available by donors. Secondly, support budget levels were calculated during the integrated budgeting process to support the planned programme activities. Fixed costs in a country office, such as local salaries or rental agreements, varied tremendously. Therefore, the United States dollar equivalent should not be taken as a direct measure of the size or capacity of a country office.

70. Referring to management and administration costs, some delegations supported more streamlining of New York headquarters to shift emphasis to the field. Some speakers requested more details about the actual transfer of fundamental tasks to countries, while others asked for more details on actual efficiency gains in operations. Still other speakers expressed concern as to whether there was sufficient flexibility in planned activities, or other means of controlling costs, if the planned level of general resources was not achieved.

71. The reduction of posts in the 1998-1999 biennium was discussed. Some delegations expressed confidence that UNICEF would continue to handle these cases in the most humane manner. Other delegations wondered whether UNICEF would be able to maintain an equitable geographical representation of staff in the organization, and requested reports on the justification of all proposed post reductions. The Deputy Executive Director replied that, when posts were to be abolished, the starting point would always be an analysis of the needs of the offices and the country programmes. Changes in needs, combined with financial constraints, were justifications for post reductions.

72. The nature and management of support budget savings were also discussed. Delegations asked whether support budget savings would be redirected to programme activities in the same country. The Comptroller responded that general resources savings would revert back to the total general resources income and would then be used for programmes of cooperation according to the general formula.

73. Some delegations questioned the general formula for calculating the distribution of UNICEF general resources. They were concerned that some regions, with the world's largest populations of children, would receive less general resources in the coming biennium. In their opinion, the general formula was responsible for a delay in adjusting resource allocations to the neediest. The Deputy Executive Director replied that the formula had indeed been reassessed to give more emphasis to least developed countries and sub-Saharan Africa as of 1 January 1999.

74. Several delegations asked whether a procedure for recovering the costs of refunding staff members for income taxes levied by Member States had been decided and accepted by the concerned Member States. The Deputy Executive Director responded that joint negotiations would involve all agencies, and no contacts had yet been made.

75. The gap between UNICEF commitments and challenges was addressed by a number of speakers. They concluded that it would be impossible to achieve the World Summit goals in the present environment of declining resources and urged Member States to take full responsibility when approving the biennial support budget. In their opinion, member countries should take more responsibility to mobilize the necessary resources. (See the annex, decisions 1998/2, 1998/3 and 1998/4, for the texts of the decisions adopted by the Executive Board.)

D. Greeting Card and related Operations work plan and proposed budget for 1998

76. The Executive Board had before it the GCO work plan and proposed budget for 1998 (E/ICEF/1998/AB/L.3 and Corr.1).

77. The report was introduced by the Director, GCO, who also presented the highlights of GCO performance and the changes that took place in 1997 in the area of new marketing and fund-raising initiatives. These included the harmonization of the product line; shortening of the time to market; revamped brochure; increased focus on key markets and new corporate partnerships, including sales and licensing agreements with Caran D'Ache and Flik-Flak (a children's watch manufacturer and a subsidiary of Swatch); and impressive results from the alliance with ITT Sheraton Hotels, "Check Out for Children".

78. Proposed changes for 1998, including a new organizational structure with a headquarters in New York, and regional offices in New York and Geneva, and regional support centres in Santa Fé de Bogotá and Singapore, were also highlighted. The new structure was based on integrated brand management linking private sector fund-raising and products. Other proposed changes included the introduction of new work processes and a new name for GCO - the UNICEF Private Sector Division.

79. Some speakers recommended that the GCO budget be integrated into the biennial UNICEF budget. The Deputy Executive Director said that the issue of integrating the GCO budget into the biennial budget had been discussed by the Executive Board previously and it had been agreed that they should be kept separate for several reasons. First, GCO was a continuous business operation. Secondly, GCO provided not just a budget, but also a business plan which included revenue projections and expenditure estimates that were entirely different from the UNICEF budget. The main objective of GCO was to maximize income for UNICEF by increasing revenues and minimizing costs, while considering market opportunities, competitive practices, sourcing possibilities and other external factors such as inflation, exchange rate fluctuations, etc. For this reason, the special GCO Supplement

to the UNICEF Financial Regulations and Rules was established. Thirdly, the GCO budget had to be reviewed annually, whereas the budget for the rest of UNICEF was reviewed on a biennial basis. Therefore, the Deputy Executive Director urged the Executive Board to maintain a separate review of the GCO work plan and budget and agreed to include, in an annex to the UNICEF biennial budget, an update on the current GCO income and expenditures.

80. Several delegations requested additional analyses to be included in the GCO work plan and budget document which would allow performance monitoring of its two income-generating activities - private sector fund-raising and product sales. The Director, GCO, explained the integrated brand management approach, which was the reason for presenting a consolidated statement for marketing, but also agreed to provide analyses as requested in the future.

81. Several delegations questioned the source and basis of the sales forecasts reflected in the GCO MTP. Some of them considered the projections overly optimistic, especially taking into consideration the impact of exchange rate fluctuations and the planned conversion of European currencies to the "Euro". The Director, GCO, explained that the sales partners were the primary source of these forecasts. GCO obtained sales results from partners only after lengthy delay and often well after reports were needed to prepare the Board documents. In response to queries from one delegation, the Director, GCO, agreed to revise the MTP to better reflect the existing trends between expenditures and proceeds from product sales for the years 2000 and beyond. A corrigendum reflecting changes to table 7 of E/ICEF/1998/AB/L.3 was issued.

82. Many delegations expressed disappointment that the GCO headquarters office was not relocating to Europe closer to its main markets. The Executive Director and the Director, GCO, explained the reasons for maintaining the headquarters in New York. Despite generous offers received from two Member States, a cost-benefit analysis did not provide any sound financial justification for such a move. In addition, there was no business justification for the move in view of the fact that (a) the division was experiencing a high vacancy factor in key posts; (b) there were major structural and business process changes to be implemented; and (c) several key staff members were involved full-time in the implementation of the new UNICEF financial system. GCO would have impaired its capacity to service its partners in the short term, with a possible loss of income, which was undesirable in a climate of diminishing UNICEF income. The Executive Director added that although a move to Europe was implicit in the recommendation in the Coopers and Lybrand review of GCO, it was not a key recommendation, and they had given no strong analytical justification for such a move.

83. Several delegations said that the GCO name should properly reflect its diversified activities.

84. Some delegations requested further clarification on the brand management approach. The Director, GCO, explained that fund-raising, greeting cards and events were all part of the same equation, using the same resources, and that all were a means of bringing the UNICEF name to the donor/consumer. It was important for GCO to employ staff who could translate the strength of the UNICEF brand into concrete resource mobilization strategies.

85. Two delegations expressed concern that the number of products had been reduced and that the focus on "key markets" would be at the expense of smaller markets. The Director, GCO, explained that the focus on key markets was one of the main Coopers and Lybrand recommendations aimed at enabling the division to use its scarce resources optimally. However, he stressed that smaller markets would not be neglected. (See the annex, decision 1998/5, for the text of the decision adopted by the Executive Board.)

E. Oral report on the resource mobilization strategy

86. As requested by the Executive Board at its third regular session in September 1997 during consideration of the programme of work for 1998 (decision 1997/30), the Executive Director presented an oral report on the resource mobilization strategy. She described recent declining trends in official development assistance (ODA) as well as similar trends for UNICEF general resources and supplementary funds income. At the outset she underlined her concern about the negative impact this would have on the ability of UNICEF to carry out its mission and mandate to promote and achieve the rights and goals for children.

87. As an extraordinary measure, the Executive Director had convened a special team to review the organization's resource mobilization efforts, define priorities for attention and make recommendations with respect to reversing these trends. Its work, she said, would contribute to the preparation of a report on the subject to be presented to the Executive Board at its upcoming annual session in June.

88. Key issues that would form the basis of the review and analysis would include: (a) the distinctive characteristics and approaches implied by core versus supplementary funding, the latter forming part of Board-approved country programmes; (b) private sector potential; (c) rationalizing and refocusing efforts of the Private Sector Division (formerly GCO); (d) the variability in the relative share of ODA channelled through UNICEF from respective members; (e) financial ramifications of expanded partnerships with international financial institutions; (f) support from programme countries and advocacy by programme countries with donors; and (g) improved contribution management.

89. The Executive Director requested the Board to assist

UNICEF in its review by providing feedback and suggestions to the secretariat on several issues, including: (a) how to refocus donors' attention on the importance of resources in meeting the commitments of the Convention on the Rights of the Child and the World Summit for Children goals; (b) the impact of United Nations reform on resource mobilization; (c) new approaches for canvassing Governments and the private sector; (d) whether this was the time to pursue multi-year funding for core resources more vigorously; (e) whether accepting resources from international financial institutions would challenge the character of UNICEF; and (f) whether there were systemic obstacles within UNICEF which limit its resource mobilization capacity.

90. The discussion which followed responded specifically to a number of the questions posed. However, several delegations expressed the need to consult with their capitals and to revert to the issue at a later stage.

91. Many of the speakers addressing this agenda item welcomed the Executive Director's remarks and the creation of the special team on resource mobilization. Several of them expressed an interest in receiving more information on the terms of reference and progress of the team's work. Almost all of the speakers looked forward to continuing the dialogue through intersessional meetings and again at the annual session.

92. At the heart of the discussion on multi-year funding was concern for a predictable resource base to allow for responsible delivery of the UNICEF mandate. Although the notion of multi-year funding received strong support from a number of delegations, two other speakers said that in budgetary terms, their Governments did not have the flexibility to pledge beyond one year into the future. Options which included various combinations of assessed funding, negotiated pledges and voluntary funds were raised, but it was felt that they should be referred to other forums such as the Economic and Social Council and the General Assembly for in-depth review as both would be dealing with these issues on a system-wide basis. In addition, the secretariat was urged to consult regularly with the newly established UNDP/UNFPA open-ended working group charged with examining the same issues.

93. All of the speakers commenting on United Nations reform referred to its possible impact on resource mobilization. One speaker felt that UNICEF in particular should be vigilant in monitoring the perceived impact of the reforms, while two other speakers expressed the hope that there would be no negative impact. While a coordinated response to resource mobilization in all funds and programmes was called for by a number of delegations, it was acknowledged by one speaker that the same strategy would not necessarily work effectively for all agencies.

94. The importance of international financial institutions as partners and/or funding sources for UNICEF was stressed by some speakers. At the same time, they all cautioned UNICEF to respect its policies and approved programming frameworks in favour of meeting children's unmet needs. Several delegations felt that this subject should be dealt with at a later date, with one noting that it would also be discussed by the Economic and Social Council in April.

95. UNICEF was urged to explore additional funding/collaboration with the European Union, and it was felt that this issue should be revisited at the annual session.

96. While speakers acknowledged the potential for additional income from the private sector, opinions varied about the role and positioning of private sector income for UNICEF. Several delegations stressed that UNICEF was a "Government-owned" organization and that it was the responsibility of Member States to ensure its financial survival. However, one speaker cautioned that private sector funding could imply risks also with regard to conditionality.

97. The triangular sharing of financial responsibility between Governments, National Committees and civil society, as well as the potential for positive leverage between the three, were highlighted by several speakers. One of them advocated strongly that even private sector contributions should be closely and accountably linked to specific programmes and expenditures.

98. A number of important suggestions were made concerning the strategy of determining which message would ultimately influence Government resource allocations, including: (a) information on the results or impact of programme interventions was a more powerful argument than information on needs alone; the "needs" argument was no longer satisfactory (b) stressing that the goals and targets - whether for the World Summit for Children or the Development Assistance Committee - were still valid; and (c) demonstrating whether UNICEF in particular could make a measurable difference in the situation of children. One speaker summed up the ideas expressed by stating that what was needed was a "technical breakthrough" in translating and transmitting information on UNICEF programmes in the field.

99. Combined with the technical aspects, a number of delegations referred to the indispensable role of solidarity and political will between and within Governments in support not only of ODA, but specifically for the centrality of children in the development process and the role of UNICEF therein. The problem was common to all and required a common solution.

100. Several delegations referred to an expanded role for programme countries in resource mobilization. This included: (a) the need for leaders of developing countries to be advocates for UNICEF work for children with donor

Governments whenever they had the opportunity; and (b) the need for certain Governments to look for more options for cost-sharing of basic office operations within the country.

101. Several speakers highlighted the ongoing importance of cost-effectiveness to ensure that UNICEF remained competitive in the increasingly difficult funding environment. One delegation said that this was an important consideration of Governments in their funding decisions, noting that UNICEF had to become more competitive vis-à-vis the diminishing pool of resources, while another speaker highlighted common premises as one way of effecting savings.

102. One delegation noted that in view of diminishing resources, UNICEF should have, a priori, contingency plans for the budget which took into account the possibility of a 5-10 per cent shortfall. It was felt that this would demonstrate responsible financial planning.

103. The importance of contribution management was also raised. Several speakers mentioned broadening the donor base, one in terms of better burden sharing and the other through exploring non-traditional sources.

104. The issue of exchange rate gains/losses was raised by several delegations, one of which noted that in some parts of the world, a strong United States dollar should generate purchasing power gains. The other speaker suggested that 1998 might see some currencies strengthening against the United States dollar.

105. The Executive Director commented briefly, thanking delegations for their contributions, and agreed to convene one or two intersessional meetings on the subject. She noted that the interests of National Committees were being taken into account within the special team, which had one National Committee member. She welcomed the continuing advice of and dialogue with the Board on this subject. (See the annex, decision 1998/6, for the text of the decision adopted by the Executive Board.)

F. Country notes and mid-term reviews and major evaluations of country programmes

Introduction

106. The President recalled decision 1995/8 (E/ICEF/1995/9/Rev.1) on the consideration and approval of country programme recommendations (CPRs), adding that the arrangements contained in the decision would be reviewed at the second regular session in September. He said that following the presentations by the Director, Programme Division, and the Director, Evaluation, Policy and Planning (EPP), delegations would be welcome to make comments of a general nature. Comments about specific country or regional documents would be invited at the appropriate time.

107. The Director, Programme Division, provided an overview of the country notes and MTRs. The 13 country notes used the same format, in line with Board directives, to assure coherence in presentation. However, he added, the contents reflected rather unique and important features in each of the proposed country programme strategies. Previous Board discussions related to the ways and means to strengthen the country programme had been shared systematically with country offices with a view to helping them improve the quality of country programme preparation. He mentioned some of the key features of the proposed country programme objectives and noted that each country programme strategy presented a clear mixture and balance of capacity-building, advocacy and social mobilization, and service delivery as approaches that would be used to achieve the objectives. With regard to the 14 country programme MTRs being presented to the Board, he reported on some of the topics that had been shared with the country offices and outlined the various aspects in the MTR process.

108. Delegations commenting on this agenda item thanked the Director, Programme Division, for his very informative and helpful presentation, and as requested by one speaker, the secretariat agreed that, in future, it would distribute the written statement prior to the oral presentation. While acknowledging the overall good quality of the country notes, and that, as per Board directives, they adhered to a relatively consistent presentation, one speaker expressed regret that there were still many gaps, especially relating to figures on the results of past activities and the targets set. He also noted that the there was no clear description of the human and financial means used to carry out the programmes. Another delegation said that the country notes were so general that it would be difficult to evaluate achievements. To further improve their presentation, the first speaker suggested that the following points be noted: (a) the terms used to describe the projects were too vague and with very general unquantified objectives, which resulted in a lack of accuracy in the final evaluation of the effectiveness of the proposed programme; and (b) they were too uniform and did not accurately reflect the individual situations of the countries concerned. Several other speakers associated themselves with the comment under (b) above. He also mentioned that the lengths of the country notes should be consistent with the size of the country and the programme, and several other delegations agreed.

109. However, several other speakers noted with satisfaction that in following a common structure, the country notes presented a more systematic approach, which greatly facilitated comparison and review. One delegation appreciated that many of the country notes took into account developments concerning broader United Nations issues, such as the reform process. Another delegation further clarified that country notes reported on progress at a certain point in the process; thus, it

was not realistic to expect them to contain many details about objectives. He recalled to Board members that the country notes preceded the CPRs, and all the concerns raised about the need for clearer objectives and indicators would be taken into account in the preparation of the CPRs.

110. One delegation suggested that the representatives of the largest programme countries be invited to attend the Board to present their programmes. Another speaker said that it might be useful to Board members if the secretariat would arrange a presentation of one country programme and follow it through the various stages of the process, i.e. from country note, to CPR, to MTR and country programme evaluation. This, he felt, would greatly benefit Board members.

111. In response, the Director, Programme Division, recalled to Board members that with regard to length and content, the secretariat was guided by decision 1996/35 (E/ICEF/1996/12/Rev.1) on documentation which mandated that the country notes "shall not exceed the range of 3-4 pages". The secretariat felt that the country notes reflected variety in terms of length and operational value and quantification. He further explained that the country notes were essentially a means to provide the programmatic logic of the proposed country programme, particularly the country programme strategy and mix of programmes and broad resources that need to be approved, in the context of the situation analysis and the lessons learned. The kind of detail and operational focus required would be elaborated in the final CPRs submitted for Board approval. He assured delegations that the secretariat would review very carefully the mix of programme strategies and how this was built into the programmes, and that this would be reflected in the documentation.

112. The improved quality of the MTRs over previous years was noted by several speakers who said that they were more analytical and very informative. The MTR for West and Central Africa was cited as exemplary. However, several delegations felt that more attention could have been paid to broader issues such as United Nations reform (including the results of coordination among the various agencies, especially in the context of UNDAF), and the impact of the internal reorganization of UNICEF headquarters on the functioning of its field offices. Another speaker expressed the view that, in future, the MTRs should have a more systematic approach like the country notes. Delegations were encouraged by the growing involvement of civil society as well as by the increased attention to the Convention on the Rights of the Child. One speaker regretted that the MTRs for Brazil and Uganda were not available for consideration. The Director, Programme Division, informed delegations that the Brazil document was available and would be distributed.

113. In response to a query about the financing of MTRs and evaluations, the Director, Programme Division, explained that their costs were built into the budgets of the country programmes as part of normal operations. The reviews were undertaken as a requirement of the programming process so the costs were covered in that context. To the extent that the participation of headquarters' colleagues was required, the costs would be covered by headquarters.

114. The Director, EPP, highlighted two key dimensions of the regional reports: the increasing importance of evaluation; and the increasing relevance and visibility of children's rights. Evaluations were being used to identify and overcome problems, improve programme performance and promote organizational learning. Action to reinforce the management of the evaluation function included strengthening of the monitoring and evaluation capacity, more effective dissemination of results and more systematic follow-up on findings and recommendations. She highlighted some of the specific regional actions. The reports reflected an increasing consideration of children's rights in UNICEF work, with the Convention on the Rights of the Child serving as a reference to monitor the situation of children and assess the impact of projects and programmes, and she cited some of the relevant themes dealt with in the reports. The evaluations further stressed the relevance of the accountability and participation of Governments at national and subnational levels, and showed the value of the involvement of civil society. She concluded by presenting the UNICEF *Implementation Handbook for the Convention on the Rights of the Child*, which constituted a comprehensive illustration of the process of implementation of children's rights and the role played by UNICEF.

115. One speaker emphasized that the evaluation process was a key issue at field level and was closely linked to fund-raising as the demonstration of results and achievements would influence decisions about future contributions. Several delegations welcomed the focus on child rights and expressed interest in the findings and results. One delegation stressed that monitoring and evaluation were very important management tools for programme implementation, which would help to identify the most efficient and effective ways to achieve programme objectives and ensure the optimal use of resources. Several delegations highlighted the need for the close involvement of Governments and for the participation of the beneficiaries, including children themselves, to improve programme effectiveness and foster a sense of ownership. Two delegations wanted to hear more about how the results of evaluations were shared, how they influenced programme design, and how lessons learned from successful projects fed into programme and policy development. Appreciation was expressed for the *Implementation Handbook*.

116. The Director, EPP, thanked all delegations for their comments. She agreed that reporting on results would contribute to better resource mobilization, mentioning the evaluation of the Tunisia primary education project as

providing such an example. UNICEF concern to monitor progress towards results had stimulated the evaluation of multiple indicator cluster surveys, which showed that they had led to: (a) improved capacity to collect information on children; (b) increased recognition of the value of children's rights; and (c) the need for new strategies for monitoring decade goals. Evaluations also influenced the mix of programme strategies as illustrated by the Nigeria country programme evaluation, which recommended a shift of emphasis from service delivery to capacity-building, and the Zanzibar study, which demonstrated the need for community involvement and education for effective malaria control. The importance of capacity-building, advocacy and the creation of national ownership were recurrent themes in many evaluations. She confirmed that evaluation was an ongoing process, pointing to the increasing emphasis on the integrated monitoring and evaluation plan as a sign that monitoring and evaluation were integral parts of the programme cycle. The participation of children and the involvement of communities were stressed in several evaluations, including the Programa de la Región Andina (Programme for the Andean Region) (PROANDES), the Zanzibar study, and the hygiene education and sanitation programmes in Mali and the Niger. The water programme of the Lao People's Democratic Republic provided just one example of ways in which country programmes were adjusted and improved in light of evaluations. She said that UNICEF recognized the special challenge of emergency countries and that monitoring and evaluation tools were being developed to meet their specific needs. The results of evaluation work were being shared with UNICEF partners at country and global levels through informal exchanges, participation at inter-agency and professional meetings, and electronic networking.

Eastern and Southern Africa

117. The Regional Director for Eastern and Southern Africa introduced the country notes for Angola (E/ICEF/1998/P/L.8) and Kenya (E/ICEF/1998/P/L.10), and highlighted aspects of the summary of MTRs and major evaluations carried out during 1997 (E/ICEF/1998/P/L.1). She also provided a brief overview of the situation in the region.

118. With regard to Angola, several delegations felt that the programme objectives were too ambitious given the country's absorptive capacity and the amount of UNICEF resources allocated. A clearer focus on child survival and sustainability, with a few well-defined programmes such as the expanded programme on immunization (EPI), was suggested. One delegation said that the UNICEF strategy in Angola was based on the assumption of a rapid move towards peace and that the strategy was poorly suited to war conditions. The Regional Director replied that an emergency response was built into the programme, which was flexible and could be adjusted based on the annual reviews. Another delegation said that while the country note contained elements of emergency assistance and long-term technical assistance, the long-term technical cooperation strategy required further elaboration. Donors supported programme elements in the areas of landmine awareness, EPI and strengthening of local management capacity, especially for health and education, and called for UNICEF advocacy for increased government financing of the social sector. Two delegations questioned the accuracy of the data in the situation analysis section. One speaker appreciated the mention of UNDAF.

119. One delegation commended UNICEF efforts over the last two years to strengthen and adapt the Kenya programme to country capacity and resources and agreed with the priority programme areas. Two delegations expressed satisfaction with the strengthened ties with bilateral and multilateral organizations, with one making special mention of the good cooperation with the Government. One speaker expressed the hope that recent activities had contributed to improved accountability. Regarding its own country note, the delegation of Kenya expressed the desire for normalization of cooperation with UNICEF. The speaker also said that the resources mentioned in the country note seemed insufficient to cover the planned activities. The Regional Director replied that an initiative was under way to attract private sector funding for children in Kenya.

120. Several delegations expressed concern that (a) the provision of basic services had diminished in the region; (b) programmes to meet survival needs had to be strengthened and enhanced; and (c) a clearer focus on sustainability was needed, such as the replacement of aging cold-chain equipment and the provision of vaccines. One delegation requested that any budget cuts related to Africa be considered with circumspection. The Regional Director responded that UNICEF was committed to survival issues such as EPI and was active in immunization days in most countries in the region. In addition to cold-chain equipment and vaccines, assistance was being provided in the areas of training and capacity-building to strengthen sustainability. National Immunization Days strengthened ongoing EPI activities and included other health interventions, such as the provision of vitamin A; and the Vaccine Independence Initiative was being implemented where practical. The CPRs being presented at the second regular session in September would show the extent of cooperation in child survival.

121. In addressing the Ethiopia MTR, that country's delegation expressed appreciation to UNICEF and the Executive Board for 40 years of development cooperation assistance and concurred with the MTR process and its outcome. The speaker expressed the need for continued assistance for child survival. Another delegation commended the work of the UNICEF staff in Ethiopia and said that they had allocated supplementary funds for education. Improved immunization rates owing to the efforts of UNICEF, the Government and NGO partners were also noted. One speaker

expressed concern about the problems experienced with cash and supply assistance. The Deputy Executive Director, who had co-chaired the MTR, endorsed the positive comments made by the delegation of Ethiopia. She noted that there had been continuing discussions since the document was prepared in November. There were no major outstanding issues and lessons learned had been incorporated into the programme.

122. In response to a query about the Government's objection to the communication programme, the Regional Director explained that the Government wanted the communications activities integrated into each component rather than as a separate programme, and that this change had been made.

123. One delegation noted that the Zimbabwe MTR showed that corrective measures had been taken based on changing economic and political realities.

124. The representative of Burundi recognized the laudable efforts and courageous work of UNICEF staff in a difficult situation of social and political disorder and natural disasters and noted their good cooperation with the country team in Bujumbura.

West and Central Africa

125. The Regional Director for West and Central Africa introduced the country notes for Benin, Equatorial Guinea, the Gambia and Mauritania (E/ICEF/1998/P/L.11-E/ICEF/1998/P/L.14, respectively), and provided highlights of the summary of MTRs and major evaluations carried out in the region during 1997 (E/ICEF/1998/P/L.2).

126. One delegation expressed appreciation for the emphasis that was given to basic education in Benin.

127. Commenting on the country note for Equatorial Guinea, the same speaker felt that the lessons learned on the greater involvement of beneficiaries should have included an increased focus on families and the civil society in which they live in addition to Government. The delegation noted that the strategy proposed for Equatorial Guinea was similar to and compatible with its own in meeting children's and women's needs in other countries.

128. The same delegation noted that the programme strategy proposed for Mauritania was coherent and worthy of support. There were good examples of joint collaboration between its Government and UNICEF in Mauritania, including the work being done in nutrition and with the Mayors as Defenders of Children.

129. The same delegation agreed with the decision to revise the objectives of the Niger country programme following the MTR. The activities in the Niger were viewed as too dispersed to respond to the serious deterioration of the situation in the country, and it was suggested that for the remainder of the current programme cycle, as well as for the next one, the number of objectives should be reduced and more focused. The UNICEF country team was congratulated for the programme achievements under difficult circumstances.

130. Several delegations expressed their appreciation for the quality of the summary presented. One delegation noted the close collaboration it had with UNICEF while leading the MTR. The review indicated that the collaboration had brought about some significant achievements in the areas of immunization, water and sanitation, and primary education. Another delegation noted with satisfaction the quality of the document and the progress achieved in the country programmes discussed. The same speaker felt that at least part of the achievements were due to better coordination of activities as well as better cooperation between its Government and UNICEF, particularly in the areas of urban health and girl's education. Another delegation expressed concern that the objectives were often too ambitious, which was a recurring theme in the document. However, the same delegation appreciated the work being done to eliminate guinea worm disease. While acknowledging that most country programmes were achieving positive results in environments that were diverse and difficult, concern was expressed that understaffing in certain key areas, especially in immunization, might jeopardize sustainability.

131. One delegation appreciated the studies undertaken in Benin, the Côte d'Ivoire and the Niger on social expenditures in the context of the 20/20 Initiative. In addition, the delegation felt that practical studies of this nature were important for improving programme performance, stressing that such studies provided vital information to programme managers and decision makers and expressing an interest in the follow-up on the latter. The same delegation also requested copies of the studies for information.

Latin America and the Caribbean

132. The Regional Director for Latin America and the Caribbean introduced the country note for Ecuador (E/ICEF/1998/P/L.15) and the summary of MTRs and major evaluations of country programmes carried out in the region (E/ICEF/1998/P/L.3). She noted that the Brazil MTR had been completed too late in the year to be included in the report, but that a summary leaflet was being made available for the information of the Board. In her brief overview, the Regional Director outlined the programme strategies being proposed for Ecuador and emphasized that preparing programmes from a rights' perspective did not mean that basic services were being abandoned. She also highlighted the priority that had been given to monitoring and evaluation work in the region, noting that it would be an important contribution to inter-agency work on United Nations reform, particularly CCAs and UNDAF.

133. The Regional Director was congratulated by many delegations for her efforts in the region. However, concern was expressed that the region was currently suffering from an economic slowdown, declining capital flow and inequalities as a consequence of structural adjustment programmes. UNICEF was strongly urged to make sure that broader advocacy and social mobilization efforts did not detract from the efforts required to ensure the provision basic services. One delegation referred to the "unfinished business" in the area of child survival and called on UNICEF to first ensure that gains achieved in fields such as immunization were sustained.

134. The Ecuador country note was endorsed by many delegations, who viewed it as being well-balanced, well-targeted, precise and informative, and expressed appreciation for the integrated local approach. One delegation welcomed the focus on poverty reduction, access to clean water and sanitation, and childhood education. The delegation pointed out, however, that the targets for basic services, particularly health and nutrition, had not been met and, therefore, expressed concern that the focus on the new mandates of public policy, empowerment and capacity-building might be premature. The same delegation encouraged more collaboration with the donor community. With respect to its own country note, the delegation of Ecuador welcomed the ongoing cooperation between UNICEF, the Government, NGOs and other organizations representing civil society in the country. One delegation requested more information on national counterparts and an analysis of programme sustainability. Another speaker noted that the strategies used were closely linked to those used in the subregional PROANDES and Amazon programmes. The same delegation welcomed the innovative strategy used in the programme which aimed to enhance participation to advance children's and women's rights based on the Children's Code, the Convention on the Rights of the Child and the Convention on the Elimination of all Forms of Discrimination against Women. One observer delegation expressed appreciation for the work of the Regional Office in carrying out monitoring and evaluation workshops. The conclusions and recommendations identified were useful working tools for programming.

135. In response, the Regional Director said that the programme was designed to ensure that the work in the poorest areas would continue in strengthening the health and education systems, local networks, planning and early warning systems. At the same time, it emphasized the importance of building on the linkages between concrete localized experiences and the capacity and ability to design social policy at the national level based on those experiences.

136. Referring to the Paraguay MTR, one delegation noted that maternal mortality remained a major problem and that immunization rates seemed to have dropped. Another delegation stated that one way to overcome the problem of sustainability would be through a people-centred approach to development, paying special attention to protection issues and the improvement of basic services through the understanding and application of international Conventions.

137. While supporting the special focus on the girl child in the Caribbean, several speakers expressed concern regarding the special problems among boys in the region. One delegation commended UNICEF initiatives in its country with respect to children's participation. Referring to her country's recent inclusion in the multi-country programme for the Caribbean and the fact that the earlier ad hoc approach to programmes in that country had passed, another delegation requested increased UNICEF support for implementation of the programme since there was currently no UNICEF representation in the country. In responding to this concern, the Regional Director assured that adequate support would be provided through the UNICEF regional and subregional presence and that UNICEF would also collaborate closely with other United Nations agencies present in the country.

138. On the question of the balance between service delivery and advocacy, the Regional Director said that UNICEF was looking carefully at direct support to communities that were most in need and required the provision of basic services, on the one hand, and facilitating and supporting the creation of an institutional context in the country as a whole as well as locally so that universal rights to good quality services could be realized, on the other. She explained that UNICEF had limited resources and did not have the capacity to directly provide services, which was the reason UNICEF focused on promoting the sustainability of those services through awareness-creation, advocacy and capacity-building among those directly responsible, such as central and local government, NGOs and the community. She stressed that the use of advocacy did not mean reduced service delivery, and provided specific examples of what advocacy meant: providing technical support to legal reform; reinforcing capacity for local planning and delivery through training and communication; and promoting and identifying mechanisms for child participation. She noted that in Latin America today, countries themselves were able to purchase vaccines. For its part, UNICEF tried to highlight the importance of reaching the poorest communities and to strengthen local networks.

East Asia and the Pacific

139. The Regional Director for East Asia and the Pacific introduced the country notes for the Philippines (E/ICEF/1998/P/L.16) and Thailand (E/ICEF/1998/P/L.17) and highlighted some of the key aspects of the regions MTRs and major evaluations of country programmes. He also briefly discussed the major trends and developments in the region, highlighting the recent economic turmoil affecting many countries.

140. Several delegations referred to the Philippines country

note, expressing their full support for the proposed strategies. One delegation was impressed by the significant reduction in maternal mortality, but stressed the importance of coordination with UNFPA in maternal and child health. With regard to lessons learned, the delegation pointed to the importance of the 1991 Local Government Code for decentralization, which had led to greater participation by civil society. The delegation urged UNICEF to support capacity-building in local government and also welcomed the shift of emphasis from specific disease control to an integrated hierarchy of activities. The delegation noted that, by specifying the regions where it intended to operate, UNICEF would become more efficient. The delegation drew the attention of the Executive Board to paragraph 3 of the country note and pointed out that the poverty figures seemed to be reversed. The Regional Director noted the comments on the poverty figures and said that this would need to be verified. He indicated that while the overall focus of UNICEF interventions was shifting from specific disease control to integrated services, activities targeted at specific diseases such as polio were still a priority.

141. Another delegation expressed full support for the objectives and strategies presented in the Philippines country note, adding that they were consistent with the protection and promotion of the rights of children and women. The delegation welcomed UNICEF assistance in translating the rights approach into practical measures. There was a long history of cooperation between the Philippines and UNICEF, especially at country level, and much progress had been made. One delegation pointed out that planned UNICEF activities would take place in a favourable context. The Government was determined to take action in favour of children's rights. It had ratified the Convention on the Rights of the Child in 1994 and established child courts in 1997. The proposed programme seemed relevant and would underline close cooperation with the national administration.

142. While citing the Philippines as a good example of a country note, one speaker said that nutrition should figure more prominently in the proposed strategy. The delegation also pointed to the need for more coordination with bilateral agencies at field level.

143. A donor delegation welcomed the strong initiative for South/South Cooperation in the Thailand country note. UNICEF was urged to play a strong role in supporting the dissemination of social development experiences as an important part of such cooperation. The Regional Director stressed that Thailand would be proud to share its experiences in the areas of nutrition, sanitation and HIV/AIDS. Another delegation pointed out that the Thailand country note reflected the National Development Plan, the National Programme of Action for Children and the Convention on the Rights of the Child as a framework for the UNICEF programme of cooperation. The delegation was of the opinion that it would be difficult to reach the objectives without additional donor support. The Executive Board was encouraged to lend its support to mobilizing resources for the proposed programme. Another delegation also noted the emphasis on local fund-raising in Thailand and pointed out that while poverty levels were being reduced in both Thailand and the Philippines, the current financial crisis might have an impact on progress. Concerning Thailand, one delegation suggested the need for a more detailed explanation of planned expenditures. The Regional Director indicated that this would be provided in the CPR.

144. Several delegations commented on the impact of the financial crisis in the region, pointing out that the documents did not seem to reflect the current crisis, which might affect social policy. It was suggested that the proposals might need to be reviewed in light of the new regional context. One speaker felt that in times of economic crises, the role of UNICEF in ensuring the protection of children assumed greater importance. The Regional Director pointed out that the country notes had been prepared some months prior to the current economic turmoil in the region, but in developing the CPR further, the new reality would be taken into account. He added that the Regional Office was collaborating with the Economic and Social Commission for Asia and the Pacific in carrying out an analysis of the impact of the economic crisis in the region.

145. Concerning MTRs and evaluations in the region, one delegation said that the review documents were well prepared and provided useful lessons. For example, the programme for working children and street children in the Philippines demonstrated that a small amount of funds could achieve impressive results. The delegation urged UNICEF to take the positive experience of this particular evaluation into account for future programming and policy formulation. In response, the Regional Director pointed out that the lessons learned from programmes in education and street children had been fed back into the new country programme for the Philippines.

146. The Regional Director thanked Board members for their valuable comments. On the issues raised regarding cooperation with United Nations partners, he said that UNICEF would ensure that coordination with UNFPA was strengthened in the Philippines. He also pointed out that all United Nations agencies, except the Regional Office of WHO, already shared common premises in Manila, which reinforced coordination. In conclusion, the Regional Director urged the Executive Board to remain conscious of and support the special needs of the region at this difficult juncture.

South Asia

147. The Regional Director for South Asia introduced the country notes for India (E/ICEF/1997/P/L.9), Maldives (E/ICEF/1998/P/L.18) and Pakistan (E/ICEF/1998/P/L.19), highlighting some of the similarities in programme strategies

among the countries as a reflection of a regional orientation of UNICEF support. He emphasized that the country note for India had been presented and discussed at the January 1997 session of the Executive Board, after which a decision had been taken to extend the 1996-1997 bridging programme for an additional year and to prepare a new country programme for the period 1999-2002. The previous country note remained valid and was being resubmitted to allow new Board members to comment on it prior to the preparation and submission of the CPR. As there had been no MTRs in the region during 1997, the report before the Board focused on major evaluations in the areas of salt iodization, primary education and immunization, and on the steps being taken in the region to strengthen monitoring and evaluation activities in general.

148. The delegation of India stated that India country note had been discussed extensively in 1997. Subsequently, the approval of a bridging programme had enabled the Government and UNICEF to strengthen and refine strategies. There had been significant initiatives to put in place an enabling environment for children's and women's rights and a shift of responsibility from central to state governments. This process of decentralization would mean greater emphasis on community participation through the panchayats (administrative district). UNICEF was urged not to forget several areas of the country where it had been unable to focus its attention: the remote north-eastern states as well as some large urban areas. In this "other India", characterized by high levels of poverty and extensive urban slums, but regarded by UNICEF as "non-focus states", there had been little progress in promoting and protecting child rights. These areas should not be forgotten while developing the new country programme, which, said one speaker, represented the crystallization of common experiences between UNICEF and India. However, he added, it was important to remind the Board that the proposed objectives could only be achieved through the mobilization of greater resources. The delegation pointed out the importance of evaluation and the dissemination of evaluation results. It also expressed its appreciation and thanks to WHO, Rotary International, the Governments of Denmark, Japan and the United Kingdom, and others for their support to the recent highly successful polio immunization campaign.

149. One delegation pointed out that it had made extensive comments on the India country note in January 1997, which remained valid. He added, however, his delegation's support for the child rights and gender strategy of the country note. UNICEF was urged to take a strategic and systematic approach to the problems of child labour, sexual exploitation and children with disabilities. Coordination with other agencies on this issue would be important. The delegation also underlined the importance of sexual and reproductive health. In the opinion of the delegation, collaboration with UNFPA, the focus on adolescent health and the prevention of HIV/AIDS needed greater emphasis in the India country note. In responding to the delegation's comments, the Regional Director noted that views previously expressed by delegations on the country note had been taken into account in the preparation of the new programme, and that the additional comments would be helpful in its finalization. On the issue of sexual and reproductive health, he informed members of the creation of a regional task force which aimed to help countries, including India, deal with this issue more systematically. Similarly, the subject of adolescent health had also been put on the regional agenda for 1998.

150. One delegation pointed to the catalytic role and strong field presence of UNICEF as important factors in the success of United Nations reform in India and noted the clear desire for strong and effective coordination. However, the delegation hoped that in the forthcoming CPR, there would be a clear indication of the role of the programme within UNDAF, which was under preparation in India.

151. Associating itself with the goals and strategies of the Maldives country note and highlighting the special nature of the archipelago, one delegation urged UNICEF to pursue decentralization actively in the programme. The delegation noted that one half of the population of the country was under 15 years old, and the proposed programme of cooperation was an integral part of the National Development Plan. The delegation also felt that some of the objectives would need to be pursued in close collaboration with other agencies active in the country, for example with the Food and Agriculture Organization of the United Nations in the area of nutrition.

152. Commenting on the country note for Pakistan, one delegation urged greater cooperation with bilateral agencies in the country, especially in the areas of health, education and water. The speaker also wondered whether the target of the elimination of bonded child labour was reflected adequately in the programme budget given the enormity of the problem. The Regional Director said that the problem of child labour was enormous and complex throughout South Asia and that it was important not to lose sight of this fact. UNICEF resources were small and its contribution could only be catalytic and strategic. The region as a whole had taken up the challenge of eliminating child labour and UNICEF was responding by, among other things, assigning a senior adviser on child rights to the Regional Office.

153. One delegation pointed out that it had a sizeable foreign aid programme in South and South East Asia in which UNICEF was a major partner. The delegation pointed out that the major problem in assistance programmes was sustainability, adding that more attention should be given to this aspect of programmes. The delegation appreciated the positive results in salt iodization and immunization in Bangladesh and welcomed the regional nutrition initiative being undertaken in collaboration with the Asian

Development Bank (AsDB), noting that there had been no improvement in nutritional status in Pakistan in 20 years. Polio and measles were still endemic in the region and, thus, much work remained to be done. The delegation noted that UNICEF was focusing increasingly on the poorest countries, particularly in Africa, but that there were large numbers of children in Asia that needed help and the region should remain an area of priority concern for UNICEF.

154. One delegation underlined the challenges facing the South Asia region. The delegation pointed out that the Regional Director's presentation had focused on problems, progress and prospects. It would be important to involve Governments, NGOs and civil society in addressing these. The delegation expressed its agreement with the Regional Director's argument that rights and goals were convergent.

155. The Regional Director expressed his agreement with comments made on the importance of sustainability. He stressed that all development programmes should have a high-quality process which would lead to empowerment and sustainability. It was not a trade-off between outcome and process; both were equally important. In South Asia, the poor were seen as key actors, not beneficiaries, of assistance transactions.

156. The Regional Director also underlined the importance of collaboration with AsDB on nutrition. This had begun as a UNICEF led initiative, developed into a joint effort with AsDB and had now become an initiative of the South Asian Association for Regional Cooperation.

Middle East and North Africa

157. The Regional Director for the Middle East and North Africa introduced the country note for Djibouti (E/ICEF/1998/P/L.20) and the summary of major evaluations of country programmes (E/ICEF/1998/P/L.6), and spoke about the programming environment in the region.

158. One delegation expressed appreciation for the close cooperation between UNICEF and his country's Ministry of Cooperation, adding that it should continue and be further strengthened as an exemplary approach to support Djibouti in achieving its social development objectives, particularly in the areas of basic education, primary health care and sanitation. The Regional Director responded that would be facilitated by the upgrading of the UNICEF office to full country office status.

159. Several other speakers noted the successes achieved in the country under difficult circumstances, with one speaker suggesting that the programme strategy needed to focus more on the education sector, particularly girls' education, as well as on a more effective advocacy strategy for gender and implementation of the Convention on the Elimination of all Forms of Discrimination against Women. UNICEF was encouraged to continue its efforts to improve the well-being of children and women.

160. The evaluation document was found to be thought-provoking in that it summarized projects that truly reflected the scope and significance of the role played by UNICEF in the region. It was felt that an exchange of this type of information among countries in the region would be beneficial, especially the experience of the income-generating project of the Egypt Family Development Fund. The Regional Director indicated that offices within the region would ensure that information on interesting projects and approaches was being shared in a timely manner.

161. In response to a suggestion that a regional seminar be organized to assess implementation of the Convention on the Rights of the Child, the Regional Director said that the proposal was timely and would be seriously considered.

162. One delegation said that many countries in the region had achieved remarkable results because of the consistent emphasis by UNICEF on education, health and nutrition for children and mothers. The same speaker welcomed the study on child labour and reiterated her country's resolve to address the challenge of child labour and child protection.

163. In closing, the Regional Director thanked delegations for welcoming him as the new Regional Director for the region, for their encouraging words of support and cooperation, and for their appreciation of UNICEF work in the region.

Central and Eastern Europe, the Commonwealth of Independent States and the Baltic States

164. The Regional Director for Central and Eastern Europe, the Commonwealth of Independent States and the Baltic States introduced the summary of MTRs, covering the outcomes of the assessment of UNICEF cooperation in eight countries, and major evaluations conducted in the region (E/ICEF/1998/P/L.7).

165. All delegations addressing this agenda item welcomed the Regional Director's presentation of the first MTR for the region, with several commenting on the high quality and conciseness of the document. Several delegations also commented on the usefulness of the MTR as a means of maintaining a focus on real problems as well as flexibility in a changing environment.

166. One delegation noted that the MTR had led to corrective action by UNICEF, including a shift from emergency assistance to rehabilitation and development. This focus strengthened national capacity, including at the local level, for carrying out pilot projects and implementation of the

Convention on the Rights of the Child. The same delegation commented on the good participation by Governments, UNICEF partners and NGOs, adding that it provided a good foundation for seeking additional resources. Several other delegations also commended UNICEF work in the region in serving as a catalyst to bring together governmental and non-governmental partners to both improve programme implementation and strengthen the development of civil society. The Regional Director acknowledged the important emerging role of civil society through its NGOs in bringing the discussion of the Convention on the Rights of the Child into the mainstream of national dialogue, and pledged UNICEF support in strengthening their roles. He specifically commended Kazakhstan's special role in stimulating the response of all the countries of the Central Asian republics on the Convention.

167. Several delegations noted that, in a number of countries, children continued to suffer from economic decline, market transition and emerging crisis situations. They said that the MTR summary had accurately captured the continuing problems of budgetary difficulties, growth in unemployment and poverty. Two speakers urged that additional financial resources be made available to address the specific problems of children in the region.

168. One speaker felt that the report could have been shorter with better use of regional statistics, while another speaker said that the database system to monitor the social conditions during transition to a market economy in the region (MONEE project) maintained by the International Child Development Centre in Florence was extremely useful in this regard. Another speaker commented on the improved process aimed at strengthening the policy related to the use of statistics, especially at the district level. However, one delegation expressed dissatisfaction with the report as only 50 per cent of all 1997 MTRs had been included in the document, and the country reviews were unclear on lessons learned and concrete proposals for future work. The Regional Director informed Board members that the MTRs for Bosnia and Herzegovina, Croatia, The former Yugoslav Republic of Macedonia and Yugoslavia were only completed in late November 1997, too late for inclusion in the report. Therefore, the outcome of those MTRs would be reported on as part of the CPRs submissions in September.

169. Special note was made of the continuing problems for children, especially in health, caused by the after-effects of the Chernobyl nuclear disaster. Another delegation commented on other environmental tragedies, such as former nuclear test sites in Semipalatinsk, which continued to have a devastating effect on the health and development of children. The delegation recalled that a General Assembly resolution called for special implementation of programmes and projects. UNICEF efforts to integrate work on the Convention on the Rights of the Child with its approach to the environmental disaster in the Aral Sea region, as well as to support universal salt iodization, in part as a response to nuclear tragedies, were commended by many delegations. The Regional Director agreed that the region had serious environmental problems that would be difficult to solve, but he pledged that UNICEF would continue to work in the most effective ways with the limited resources available. He also commended the countries that had taken the challenge of universal salt iodization seriously as one means of combating the effects of the Chernobyl disaster.

170. One delegation mentioned two successful pilot projects being carried out relating to the problems of AIDS and drug use. It was also noted that important advocacy work was being carried out in the areas of protecting child rights and helping children at risk. One delegation said that UNICEF child protection activities in Romania were in keeping with priorities as perceived by most experts, namely the decentralization of social protections services and family education. The delegation pointed out, and another delegation concurred, that UNICEF could take greater account of activities conducted by the European Union in the field of child protection. The Regional Director thanked delegations which had commented on the relevance of UNICEF child protection activities, especially efforts to deinstitutionalize children currently residing in orphanages. He took note that the delegations had stressed the challenge of integrating these efforts into a decentralized system of social services at the district level. He also said that UNICEF would take into account and pursue the suggestions to follow-up and expand collaboration with the European Union.

171. One speaker thought that the report could have contained more information on the impact of armed conflict in Azerbaijan since there were 1 million refugees or internally displaced persons (IDPs) in the country. This delegation could not fully accept the assertion that the overall situation in the region was shifting from emergencies to rehabilitation and development. The delegation also emphasized the need for further programme implementation for children, refugees and IDPs, which would provide a good opportunity for cooperation with the Office of the United Nations High Commissioner for Refugees (UNHCR) and other United Nations agencies. The Regional Director confirmed that UNICEF understood the problems with the refugees in the Transcaucasus, was currently working jointly with UNHCR to provide services and would continue to focus on this issue in the future. Additional resources were needed to support the supplementary-funded proposals in this area that still lacked funding.

172. Following up on the discussion regarding the shift from emergency to rehabilitation and development, one delegation cited his country as an example. This development had led to further successful cooperation between the Government and UNICEF as evidenced in the MTR. UNICEF was requested

to give special attention to the recently reintegrated region of Eastern Slavonia, especially for IDPs. UNICEF was also commended for its help in the successful implementation of mine awareness and Mayors as Defenders of Children activities.

173. Several delegations expressed appreciation for UNICEF support to capacity-building activities and various pilot projects, although more information was requested on what had actually been accomplished. Special mention was made of the district-based maternal and child health project in the Kuba District of Azerbaijan. With respect to the points made on decentralized health care, the Regional Director advised that UNICEF was collaborating closely with the Government and the World Bank in the areas of health and education reform, and was working to support decentralization in the Kuba District of Azerbaijan.

174. UNICEF was urged to increase attention to education, such as the production of textbooks. The same delegation also requested more detailed information relating to basic educational systems and how this dovetailed with general programmes in Azerbaijan. The delegation also asked which country in the region had not responded to the questionnaire circulated on iodine deficiency disorders (IDD) and youth health. In response, the Regional Director noted that 26 of 27 countries had responded to the regional evaluation on the Baby-Friendly Hospital Initiative (BFHI) and all countries had responded on IDD. He did not know which country had not responded on BFHI, but agreed to provide this information to the concerned delegation.

175. On the subject of UNDAF, one delegation questioned how United Nations reform and UNDAF approaches were being implemented, taking into consideration that UNICEF/United Nations presence was quite recent in many of the countries in the region. Another delegation also commented on the usefulness of indicators similar to those used by UNICEF which measure the utility and efficiency of work carried out by various United Nations agencies for evaluating UNDAF. The delegation expressed a need to find similar indicators for other United Nations agencies and for cooperation with other United Nations agencies involved with projects for children. The Regional Director commented that Romania and Turkey were among the 19 countries participating in the pilot phase of UNDAF. Romania was already well into the process, whereas Turkey would join the pilot activities after mid-1998. He also noted that many of the comments made by delegations mirrored those made with respect to Viet Nam at the joint meeting of the UNICEF and UNDP/UNFPA Executive Boards earlier at the present session regarding the inadequacy of 13 weeks to prepare the UNDAF document and to put the full process into place.

176. One delegation said that, although it strongly supported UNICEF activities in the region, it wished to draw the attention of Board members to the need to carefully review and assess the staffing problems of the Regional Office. In this connection, another delegation said that, in future, it would be useful to include more information on difficulties in programme operations in the MTR summary document.

Office for Europe

177. The Regional Director for Europe said that the priorities for the Geneva regional office were to represent and advocate for UNICEF in the region and to help manage the relationship with the 37 National Committees for UNICEF. The major tasks for the next two years would be to strengthen support for implementing the Convention on the Rights of the Child, for increasing public awareness of the Convention and for increasing the traditionally high level of resources provided by Europe for the world's children. At the regional level, through the European Union and the Council of Europe, key political and policy developments were strengthening the environment for child rights, although the primary responsibility for implementing the Convention remained with national Governments. In support of this process, UNICEF was working with the Office of the United Nations High Commissioner for Human Rights and the Committee on the Rights of the Child.

178. Important to this work was the recently launched *Implementation Handbook for the Convention on the Rights of the Child* and a series of country-level situation analyses. The latter were intended to be developed in close collaboration with Governments, National Committees, NGOs, academic and research institutions, the media and human rights organizations. The objective of the situation analyses was not to lead to UNICEF programme cooperation, but rather to create a practical, rights-based focus for UNICEF advocacy, for support to implementation of the Convention and for major UNICEF partnerships.

179. With regard to the National Committees, there had been real progress, he said, even though 1997 had not been an easy year. The fund-raising environment had been difficult, there had been a major restructuring of the secretariat services to the Committees, and the reorganization of the greeting card and private sector operations was continuing. None the less, new internal mechanisms had been established for collaboration and coordination, as had clearer procedures for policy guidance and oversight and priorities for joint planning. Priority issues for action were the development of subregional approaches, the allocation of and reporting on general resources and supplementary funds, financial monitoring of the Committees' performance, the governance and internal structure of the Committees, taxation issues and retention rates, and enhancing the Committees' role in supporting implementation of the Convention on the Rights of the Child.

G. Oral report on implementation of the recommendations of the Board of Auditors

180. Requested by the Executive Board at its first regular session in January 1997 (decision 1997/10), the Deputy Executive Director presented an oral update on the implementation of the recommendations of the Board of Auditors and updated timetable indicating the dates when follow-up action would have been completed in the areas that needed to be addressed. She expressed appreciation to the Board of Auditors for the useful recommendations and advice as well as for the spirit of openess and cooperation that had been maintained during the interim audits in the present biennium. UNICEF, she said, continued to give the highest attention to implementation of the recommendations of the Board of Auditors and would undertake all necessary follow-up. She then addressed the main recommendations in their audit of the biennium 1994-1995 accounts.

Cash assistance to Governments

181. The Board of Auditors recommended that the policy of recording cash assistance to Governments as programme expenditures at the time the funds are advanced be reviewed for consistency with the definition of programme expenditure in UNICEF financial regulations and programme management procedure.

182. The Deputy Executive Director reported that this recommendation was currently under review by senior management and involved not only accounting standards, but equally important, the related programme policies and procedures as applied by UNICEF under its programmes of cooperation. The Board of Auditors had been kept informed of the ongoing work on this matter. Last year, in her introduction of the UNICEF report to the United Nations Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions (E/ICEF/1996/AB/L.14), she referred to the requirement of the new field system (Programme Manager System (PROMS)) to prevent the automatic provision of cash assistance to recipients when there are amounts outstanding for more than nine months. The PROMS testing undertaken in several field locations in 1997 has indicated that this functionality is working properly. In addition, UNICEF has substantially improved the liquidation of transactions. At 31 December 1995, the total cash assistance outstanding was $120.7 million; at December 1997, the total was $108.2 million. Amounts outstanding for more than nine months have been reduced by 68 per cent from $34.3 million to $10.9 million.

Reserve for doubtful contributions receivable and write-offs

183. The Board of Auditors recommended that UNICEF should establish a reserve for its doubtful contributions receivable to ensure an accurate disclosure of its realizable assets. The Board has been apprised that the secretariat will submit to the Executive Board, in 1998, a proposal for the establishment of a reasonable level of reserve.

Internal control and internal audit recommendations

184. The Board of Auditors has recommended that headquarters should strengthen its monitoring of the operation of internal control systems in field offices. It has also recommended that responsiveness to internal audit findings and recommendations may be improved.

185. The Executive Director continues to be strongly committed to improving the internal control systems in all UNICEF offices. New tools for identifying risks and anticipating problems have been introduced to help managers identify potential problems so that corrective actions can be taken in the early stages. These include training sessions on control self-assessment. Regional management teams have been established and have already begun strengthening systems for regional oversight of country programme management performance, reviewing and ensuring follow-up on audit and management reports, and developing performance indicators for reporting by all offices. In general, where there are areas for concern, UNICEF continues to fully support the efforts of the Office of Internal Audit to ensure that the problems are highlighted and the necessary preventive/corrective action taken. Monitoring of responses to internal audit findings during 1996-1997 has shown significant improvements in this area.

Accuracy of income projections and the UNICEF liquidity position

186. The Board of Auditors recommended that UNICEF should further improve the accuracy of the income projections for unfunded supplementary programmes through more realistic budgeting and fund-raising strategies. They have also stated that the declining liquidity of UNICEF suggests the need for a reversal of the deliberate strategy of setting expenditure levels higher than income.

187. As indicated in the Board of Auditors' recommendation, the strategy of setting expenditure levels higher than income was deliberately adopted at the time when there was a sufficient fund balance to support it. UNICEF has already, a few years ago, moved away from such a strategy because of the decline in the fund balance. Generally, UNICEF affordability levels are established annually within the framework of the MTP, which is submitted to the Executive

Board for approval. On a monthly basis, income and expenditure levels are regularly monitored to ensure that UNICEF operations are well within this framework. The secretariat continues to strive to improve the accuracy of supplementary funds income projections and assists field offices in the preparation of programmes for submission to potential donors for supplementary funding. The secretariat has also increased the frequency and rigour with which unfunded programmes are reviewed.

Allocation of general resources

188. The Board of Auditors recommended that the procedures for allocating general resources to country programmes should be reviewed to enhance comparability of data, eligibility for assistance and the determination of cut-off and exit criteria.

189. UNICEF undertook a major review, from 1995 to 1997, of the procedure for allocating general resources, ensuring extensive consultations with field offices and members of the Executive Board. During this review, UNICEF also considered the Board of Auditors' comments and recommendations on the subject. The Executive Board approved the modified general resources allocation system at its June 1997 annual session for implementation in 1999 (decision 1997/18).

Achievement of the decade goals

190. The Board of Auditors has also made recommendations that UNICEF should undertake collaborative studies into selected programme sectors to determine the level of achievement of the decade goals, sustainability of programmes and national capacity-building.

191. UNICEF continues to undertake collaborative studies in the areas mentioned by the Board of Auditors. From 1994 to 1996, UNICEF, in collaboration with Governments and other partners, helped to organize special surveys initially to assess the achievement of the mid-decade goals in more than 60 countries where national reporting system were not generating timely data. Follow-up studies are continuing in some of these countries to assess progress towards the decade goals.

192. The concern regarding sustainability of achievements has also been covered in the following:

(a) A major UNICEF workshop conducted in June 1995 produced a conceptual framework and strategies for sustainability that have been widely disseminated;

(b) In 1996, an inter-agency working group comprised of the United States Agency for International Development, the Canadian Public Health Association, WHO, UNICEF and others to focus on the sustainability of universal child immunization was established;

(c) UNICEF undertook a major collaborative study covering eight African countries from 1996 to 1997 to draw lessons from the Bamako Initiative, which emphasizes sustainability through strategies for community participation and co-management;

(d) While UNICEF initiated studies to monitor the 20/20 Initiative in 1995, collaborative work with UNDP in this area was started in 1997. Studies have been carried out in 25 countries to date. All studies, totalling 40, are expected to be completed by October 1998. UNICEF also has collaborated with UNDP on the studies in five African countries on "Pay, Productivity and Public Service".

193. UNICEF is currently working on a study on national capacity-building which will review the technical literature and current practices within UNICEF and developmental agencies for the purpose of developing and testing more effective methodologies and tools for the monitoring/evaluation of capacity-building. In addition, UNICEF is participating in the United Nations evaluation of capacity-building being carried out as part of the triennial policy review. A report on this will be prepared in the third quarter of 1998 for the fifty-third session of the United Nations General Assembly.

Forecasting budgetary requirements and the integrated budget system

194. The Board of Auditors recommended that instead of using the exchange rates available at specified periods of time as the basis for forecasting budgetary requirements, UNICEF should consider an appropriate averaging method to obtain more accurate projections. The Board also recommended that in the design of the integrated budget system, a clear link should be established between administrative costs and the costs of the country programme to achieve proper balance in resource allocations.

195. The Executive Boards of UNDP/UNFPA and UNICEF have approved a common methodology that will be followed by the three agencies in calculating their budgets. In line with this, UNICEF will use 1 April as the basis of currency adjustment in its normal submission of the biennial support budget, i.e., for approval by the Executive Board in September of the second year of the biennium.

196. To ensure that there is a clear link between the administrative costs and the costs of the country programme, the following procedures are now followed:

(a) A comprehensive review of the programme budget and support budget is made before the CPR is submitted to the

Executive Board for approval;

(b) The information on the estimated support budget for the country programme cycle is also provided in the CPR;

(c) When preparing the biennial support budget proposal for consideration by the Executive Board, the programme budget information is similarly provided to serve as a basis for the examination of the relationships between them.

Sales forecasting - GCO

197. The Board recommended that further measures should be taken to improve sales forecasting and to reduce over-ordering of products in order to keep unsold products to the minimum.

198. UNICEF is improving its response time to National Committees with the shortening of the card production cycle. A demand forecasting model will be tested with some key markets, and the National Committees will be encouraged to order more frequently based on more current and actual sales forecasts. These are expected to improve inventory management and forecasting.

Conclusion

199. The Deputy Executive Director said that she and her colleagues were available to provide any additional information/clarification that might be requested. With regard to the establishment of a reasonable reserve for contributions that are written off, several delegations sought clarification as to whether this would actually constitute a contingency fund. The Deputy Executive Director explained that some accounts receivable did not materialize and, therefore, would have to be written off. The Board of Auditors thought that it would be more prudent if a reserve were established to cover this situation.

H. 1998 UNICEF Maurice Pate Award

200. The Executive Board had before it a report containing a recommendation by the Executive Director (E/ICEF/1998/5), endorsed by the Bureau, that the 1998 UNICEF Maurice Pate Award be presented to the Pacific Regional Human Rights Education Resource Team. In introducing the report, the Director, Programme Division, said that the award was conferred in recognition of the Resource Team's significant contribution to the field of human rights education, including child rights, through a pioneering role in developing an awareness and knowledge of human rights in the Pacific region. (See the annex, decision 1998/7, for the text of the decision adopted by the Executive Board.)

I. Other matters

201. No other matters were raised for discussion.

J. Closing remarks by the Executive Director and the President

202. The Executive Director expressed appreciation for the decisions adopted at session, and especially for members' active participation in the budget process. The input provided by delegations through intersessional and other meetings had led to the successful outcome achieved at this session. She looked forward to a similar process in preparing the report on resource mobilization. In addition, the secretariat had found the discussion on country notes to be very useful and would provide feedback to country offices to enable them to prepare the full CPRs for submission to the Board in September.

203. On the joint session with the UNDP/UNFPA Executive Board, she was encouraged by the support expressed for UNDAF and for the excellent work being done in the field by UNICEF and other United Nations staff. Many interesting questions had been raised about the UNDAF process and UNICEF looked forward to continued input from the Board as the process continued.

204. In closing, she thanked all delegations for their participation and support at the session, especially those from capitals and the National Committees for UNICEF. She paid tribute to two UNICEF staff members - Ed Lannert, Director of the Division of Human Resources, who was retiring after many years of service, and Niger Fisher, Director of the Office of Emergency Programmes, who was taking a leave of absence.

205. The President said that the session had been reasonably business-like and productive, characterized by an atmosphere of cooperation and goodwill that was unique in the United Nations. This was something to be valued and should not be taken for granted.

Annex

DECISIONS ADOPTED BY THE EXECUTIVE BOARD

1998/1. Annual report to the Economic and Social Council

The Executive Board

1. Takes note of the "Report of the Executive Director: Annual report to the Economic and Social Council" (E/ICEF/1998/4 (Part I)), and requests the secretariat to transmit it, along with a summary of the comments made during the discussion, to the Economic and Social Council for consideration at its 1998 substantive session;

2. Requests the Executive Director to include and identify, in future reports, issues which would require particular consideration of the Executive Board and the Economic and Social Council.

First regular session
27 January 1998

1998/2. Biennial support budget for 1998-1999

The Executive Board

1. Takes note of the 1998-1999 biennial support budget estimates of UNICEF, as contained in document E/ICEF/1998/AB/L.1 and Corr.1, as well as of the report of the Advisory Committee on Administrative and Budgetary Questions (ACABQ) (E/ICEF/1998/AB/L.2) and the comments made by delegations during the consideration of the biennial support budget;

2. Underlines the importance of the integrated budgeting approach, linking country programme planning and budgeting, through the preparation of the country programme management plan, and welcomes in this context the progress shown by document E/ICEF/1998/AB/L.4;

3. Welcomes the new format for the presentation of the budget in line with decisions 1997/3 and 1997/5 (E/ICEF/1997/12/Rev.1) on integrated budgeting and on harmonization of budget presentations with the United Nations Development Programme (UNDP) and the United Nations Population Fund (UNFPA), respectively;

4. Requests the Executive Director to review with the Administrator of UNDP and the Executive Director of UNFPA the harmonized presentation with a view to improving it, particularly its clarity, for the next biennium, taking into account comments made by ACABQ and also by delegations during the Executive Board's discussion;

5. Requests the Executive Director to ensure that the current ratio of management and administration costs and programme support costs to programme resources will be contained; and to report to the Executive Board at its first regular session in 1999 on progress in implementing the biennial support budget for 1998-1999, taking into account the review of the medium-term plan, the levels of general resources, costs and income, the effect of currency fluctuations and implications for human resources; and to make any necessary recommendations to be implemented;

6. Approves gross appropriations in the amount of $527,495,900 for the purposes indicated below and resolves that the income estimates of $48,580,000 shall be used to offset the gross appropriations, resulting in estimated net appropriations of $478,915,900:

Biennial support budget for 1998-1999

	(In thousands of United States dollars)
Programme support:	
Country and regional offices	270 345.2
Headquarters	82 445.1
Subtotal	352 790.3
Management and administration of the organization	174 705.6
Total gross appropriations	527 495.9
Less: Estimated income to the budget	48 580.0
Estimated net appropriations	478 915.9

7. Authorizes the Executive Director to redeploy resources between appropriation lines up to a maximum of 5 per cent of the appropriation to which the resources are redeployed.

First regular session
30 January 1998

1998/3. General resources programme budget estimates for the 1998-1999 biennium

The Executive Board

Decides:

(a) That a general resources programme budget of $17,587,000 is approved (other than the Emergency Programme Fund) for 1998-1999 broken down as follows:

	(In thousands of United States dollars)
Headquarters	
Health	1 689
Nutrition	1 461
Education	1 308
Water and sanitation	790
Child protection	205
Intersectoral	1 469
Advocacy and communication	2 992
Planning, evaluation and monitoring	2 229
Emergency	1 395
Subtotal	13 538

	(In thousands of United States dollars)
Regions	
West and Central Africa	989
Eastern and Southern Africa	260
The Americas and the Caribbean	745
East Asia and the Pacific	644
South Asia	651
Middle East and North Africa	760
Subtotal	4 049
Total	17 587

(b) That the budget for the Emergency Programme Fund for 1998-1999 is approved as follows:

Non-reimbursable portion of the Fund	5 000
Revolving portion of the Fund	20 000
Total	25 000

(c) That the Executive Director be authorized to administer the funds in the most efficient and effective manner under the provision of each of the funds. The Executive Director, may, without further authorization from the Executive Board, transfer, if necessary, between the programme fields an amount not exceeding 10 per cent of the approved budget of the fund to which the transfer is being made.

First regular session
30 January 1998

1998/4. Supplementary-funded programme budget estimates for the 1998-1999 biennium

The Executive Board

Decides:

(a) That a supplementary-funded programme budget of $161,200,000 is approved for the 1998-1999 biennium, subject to availability of specific-purpose contributions, as follows:

	Headquarters	Region	Country	Total
	(In thousands of United States dollars)			
Regional offices				
West and Central Africa	-	2 000	-	2 000
Eastern and Southern Africa	-	7 900	-	7 900
The Americas and the Caribbean	-	2 000	-	2 000
Special Adjustment Facility for Latin America and the Caribbean (SAFLAC)	-	7 000	-	7 000
East Asia and the Pacific	-	2 000	-	2 000
South Asia	-	3 200	-	3 200
Middle East and North Africa	-	2 000	-	2 000
Subtotal	-	26 100	-	26 100

	Headquarters	Region	Country	Total
	(In thousands of United States dollars)			
Health	1 200	-	76 400	77 600
Nutrition	8 500	-	3 700	12 200
Education	2 400	-	2 000	4 400
Water and sanitation	400	-	3 000	3 400
Child protection	2 500	-	2 900	5 400
Intersectoral	5 800	-	3 400	9 200
Advocacy and communication	1 200	-	-	1 200
Emergency	6 700	-	-	6 700
Accelerated information technology and Programme Manager System (PROMS)	11 000	1 000	3 000	15 000
Subtotal	39 700	1 000	94 400	135 100
Total	39 700	27 100	94 400	161 200

(b) That for the biennium 1998-1999, a total recommendation of $161,200,000 for supplementary funding is approved. If necessary, funds in excess of indicated amounts for specific programme areas and regions can be received provided that the total amount of funds received is within the approved limit.

First regular session
30 January 1998

1998/5. Greeting Card and related Operations work plan and proposed budget for 1998

A. Greeting Card and related Operations (GCO) budgeted expenditures for the 1998 season

The Executive Board

1. Approves for the fiscal year 1 January to 31 December 1998 budgeted expenditures of $93.6 million as detailed below and summarized in column II of table 8 to document E/ICEF/1998/AB/L.3:

	(In millions of United States dollars)
Director's Office	0.7
Marketing	67.3
Operations and Finance	14.3
Subtotal	82.3

	(In millions of United States dollars)
Non-operating expenses:	
Market Development Programme (MDP)	2.8
Fund-raising Development Programme (FDP)	7.8
GCO share in UNICEF administrative costs	0.6
Central and Eastern European National Committees Development Programme	0.1
Subtotal	11.3
Total expenditures, consolidated a/	93.6

2. Authorizes the Executive Director:

(a) To incur expenditures as summarized in column II of table 8 to document E/ICEF/1998/AB/L.3 and to increase the expenditures up to the level indicated in column III to table 8 of the same document, should the apparent net proceeds from product sales and/or private sector fund-raising increase to the levels indicated in column III, and, accordingly, to reduce expenditures below the level indicated in column II to the extent necessary, should the net proceeds decrease;

(b) To redeploy resources between the various budget lines (as detailed in paragraph 1 above) up to a maximum of 10 per cent of the amounts approved;

(c) To spend an additional amount between Executive Board sessions, when necessary, up to the amount caused by currency fluctuations, to implement the 1998 approved work plan;

3. Requests GCO, in future budget submissions, to provide an analysis of the profitability of its two revenue-generating activities, i.e. product sales and private sector fund-raising, and a comparison of approved budget to actual expenditures for the second previous fiscal year.

B. Budgeted income for the 1998 season

The Executive Board

Notes that for the period 1 January to 31 December 1998, GCO net proceeds are budgeted at $273.5 million (general resources) as shown in column II of table 8 to document E/ICEF/1998/AB/L.3.

C. Policy issues

The Executive Board

1. Approves the changes in posts with a net decrease of 17 posts as indicated in annexes III and V to document E/ICEF/1998/AB/L.3;

2. Renews MDP with $2.8 million established for 1998;

3. Renews FDP with $7.8 million established for 1998;

4. Renews the Central and Eastern European National Committees Development Programme, which includes 10 countries, with a budget of $0.1 million established for 1998;

5. Authorizes the Executive Director to incur expenditures in the 1998 fiscal period related to the cost of goods delivered (production/purchase of raw materials, cards and other products) for the 1999 fiscal year up to $46.2 million as indicated in the GCO medium-term plan (see table 7 of document E/ICEF/1998/AB/L.3/Corr.1).

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a/ For details, see table 2.

D. Medium-term plan

The Executive Board

Approves the medium-term plan.

First regular session
30 January 1998

1998/6. Resource mobilization strategy

The Executive Board

1. Reaffirms its commitment to taking decisions on its own funding arrangements in accordance with General Assembly resolution 50/227 of 24 May 1996 and Economic and Social Council resolution 1997/59 of 24 July 1997;

2. Welcomes the steps taken by the Executive Director to formulate a resource mobilization strategy for UNICEF and her oral report on the preparatory work on this strategy, made to the Executive Board at its first regular session in 1998;

3. Stresses, in accordance with the resolutions mentioned above, the importance of the involvement of the Board in the work on the strategy;

4. Decides to hold at least one inter-sessional meeting, open to all members and observers of the United Nations, in the first quarter of 1998 to discuss a resource mobilization strategy for UNICEF, based on a conference room paper prepared and circulated by the secretariat before the first inter-sessional meeting, taking fully into account discussions in other forums, and with input and participation as appropriate from the National Committees for UNICEF;

5. Requests the Executive Director to produce for discussion at the annual session of the Executive Board a report on the work of the secretariat and the Board on a resource mobilization strategy for UNICEF;

6. Decides to transmit to the Economic and Social Council, attached to the 1998 report of the Executive Director to the Economic and Social Council, the above-mentioned report along with the comments of the Board at its annual session;

7. Requests the Executive Director to produce a draft resource mobilization strategy for discussion at the second regular session of the Executive Board in 1998 with a view to adopting the strategy at the first regular session of the Board in 1999.

First regular session
30 January 1998

1998/7. 1998 UNICEF Maurice Pate Award

The Executive Board

1. Decides to present the 1998 UNICEF Maurice Pate Award to the Pacific Regional Human Rights Education Resource Team;

2. Approves an allocation of $25,000 from general resources for that purpose.

First regular session
30 January 1998